

Public Accounts 2017-2018

Section IV

SUPPLEMENTARY FINANCIAL STATEMENTS - BOARDS

Government of
Northwest Territories

PUBLIC ACCOUNTS

OF THE

GOVERNMENT OF THE NORTHWEST TERRITORIES

FOR THE YEAR ENDED MARCH 31, 2018

SECTION IV

SUPPLEMENTARY FINANCIAL STATEMENTS

BOARDS

HONOURABLE ROBERT C. MCLEOD
Minister of Finance

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Public Accounts of the
Government of the Northwest Territories

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BEAUFORT-DELTA EDUCATION COUNCIL
INUVIK, NT

CONSOLIDATED ANNUAL FINANCIAL REPORT
June 30, 2017

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Message from Superintendent of Schools Chris Gilmour

On behalf of the Beaufort Delta Education Council (BDEC), I am pleased to present the Annual Report for 2016 - 2017. The Management Discussion and Analysis (MD&A) is presented as a go-forward responsibility of the management and the Board Members to promote transparency and accountability.

This fiscal year marks the end of the third year of BDEC's 2014 – 2017 Strategic Plan. BDEC's Strategic Plan and Action Plan define our direction and determine our allocation of resources. BDEC's goals are clearly defined as:

- Student Success
- Small Community Schools
- Assessment Practices
- Early Childhood Development
- Professional Capacity
- Culture, Identity and Well-being
- System Accountability

This approach will enable BDEC to clearly state the progress that the organization has made and will highlight areas where improvement is needed. Some of the key accomplishments in 2016 - 2017 include:

- Continued partnership with the Gwich'in Tribal Council (GTC) on development of a high school course to reflect the Gwich'in culture and history.
- Partnership with the Inuvialuit Regional Corporation (IRC). The IRC continues to contribute financially to BDEC's Data Analyst position.
- The expansion of the eLearning program for the year ended 2016 added 2 additional schools outside of our region. The plan is to add additional schools in each of the next several years. The eLearning program provides high school students from small communities the opportunity to stay in their home community to complete high school. The program offers courses that are not available in the smaller communities; courses that require specialists that cannot be afforded. The program hosted out of East Three Secondary School provides 'face to face' live classes through videoconferencing to students from three NWT regions. The pilot program has already begun to show signs of an increase in the average success rate of students and this is a principal factor for continuing the program. Over 70% of students that enroll in eLearning classes have passed their "-1" classes.
- BDEC has collaborated with IRC's initiative to hire candidates referred to as "Student and Family Support Workers" who are working in the communities of Inuvik, Aklavik, Tuktoyaktuk, Ulukhaktok, Paulatuk and Sachs Harbour. The Student and Family Support Workers will work with students (with parental approval) to improve student success by addressing attendance concerns and other matters.
- Common Math Assessments (CMAs) continue where each unit in math was assessed in grades 2-9. These assessments will help BDEC achieve greater consistency in mathematics assessment across the district. Student results are being collected with the long-term goal of

identifying areas of strength and weakness which will assist in program planning and providing more targeted supports in math and numeracy.

- BDEC students in Grades 6 and 9 wrote the Alberta Achievement Test (AATs) in English language Arts, mathematics and French Language Arts. Alberta had planned to discontinue the Grade 6 and Grade 9 AATs in 2015 and 2016 respectively, this plan has been postponed. Students in grades 6 and 9 in the NWT will continue to write the AATs until further notice.
- Access to High School Education, formerly the 'Home Boarding Program' provides academic, behavioral and financial support for students who do not have access to high school courses in their communities. Students are from Sachs Harbour and Tsiigehtchic and enroll in school at East Three Secondary School in Inuvik.

The world of education is changing globally, nationally and territorially. The Beaufort Delta Education Council (BDEC) recognizes the importance of embracing these changes to prepare northern students for participation in a 21st century economy. There is a significant achievement gap between Aboriginal students and non-Aboriginal students. BDEC is committed to addressing this achievement gap. Research indicates that culture-based educational strategies impact student outcomes. With our focus on indigenizing education, BDEC will continue to ensure teaching and learning is done in context and more and more meaningful to the students it serves.

Overview

The Beaufort Delta Education Council (BDEC) effective the 2017 – 2018 year provides Junior Kindergarten to Grade 12 instruction for 1,350 students through 9 schools in the in 8 communities of Inuvik, Aklavik, Fort McPherson, Tsiigehtchic, Tuktoyaktuk, Sachs Harbour, Ulukhaktok, and Paulatuk. The change from previous years was to implement Junior Kindergarten for all 4-year old children in the NWT which was a priority set by the 18th Legislative Assembly.

Sachs Harbour and Paulatuk offer education from Junior Kindergarten to Grade 9 at which time the Access to Education program makes arrangements for the students to live in Inuvik for full time attendance of high school. The program encourages students to become role models for other students in their communities. The Access to Education program accomplishes this by ensuring that the students have regular visits with their families, regular trips home, and provides assistance for the family to attend the graduation of their children from the Inuvik High School.

BDEC is committed to delivery of culture-based education to the students and receives extensive support for various programs from the Gwich'in Tribal Council (GTC) and the Inuvialuit Regional Corporation (IRC). Both GTC and IRC are actively involved in helping to develop on the land programs, and additional support was received from ITI for the Take a Kid Hunting and Take a Kid Trapping programs. All of the schools provide Aboriginal Language and Culture programs which encourages students to succeed through a better understanding and awareness of their culture and language.

Vision

Empowered by culture-based education, students are inspired to succeed.

Mission Statement

The Beaufort Delta Education Council will strengthen partnerships to build thriving school communities which embrace and deliver culture-based education by providing tools and resources for student success.

Strategic Plan

The fundamental purpose of the BDEC's Strategic Plan is to align our resources and actions with our Mission and Vision. BDEC is committed to providing what our communities are requesting: an education system that is purposeful and relevant to the lives and future goals of northern students. In addition to reaching consensus through consultation with community members, parents and school staff in partnership with the Gwich'in Tribal council and the Inuvialuit Regional Corporation, BDEC is committed to confronting our fiscal reality. With declining education dollars all school boards are faced with doing more with less funding.

BDEC's strategic plan consists of Three Pillars:

Pillar 1: Encourage every child to reach their full potential through inclusive and culture-based education.

Goals

1. Continue, and expand upon, the use of differentiated instruction and differentiated assessment to improve academic (literacy and numeracy) skills using Inuuqatigiit and Dene Kede curricula.
2. Expand and improve math, science and technology knowledge through instruction and assessment and use of technology for learning.
3. Communicate and share expectations with students and families about student progress, from early childhood to graduation. This will include collaboration with community partners to enhance and support early childhood programming.
4. Identify student pathways to learning that will lead to graduation and improve students' opportunities to explore career and education choices.
5. Collect baseline data related to student attendance and set annual goals for improvement.

Pillar 2: Strengthen and build community partnerships to foster strong relationships that inspire BDEC students as future northern leaders.

Goals

1. Create, inspire and support more opportunities for students and staff to experience culture-based education on the land and in BDEC schools.
2. Support greater collaboration between school and community.
3. Promote active, healthy living and support wellness through physical, social and mental health initiative. Limit risk factors and increase healthy protective factors for students.
4. Transform learning by identifying and supporting trades awareness opportunities and practical hands-on skills and learning opportunities, including on-the-land and traditional skills accreditation.
5. Showcase and develop strengths throughout BDEC by recognizing both successes and attempts.

Pillar 3: Support and sustain BDEC schools by effectively and creatively managing our organizational, physical and financial resources.

Goals

1. Ensure all school facilities are safe, well-maintained and inviting work and learning environments.
2. Improve technology and structural capabilities organizationally to monitor progress, manage resources and provide accurate and relevant assessment data.
3. Increase organizational capacity for leadership and management capacity in our region (DEA's, Staff Development, and new Teacher Orientations) through specific skills training and on-going support.

4. Improve BDEC's ability to retain competent staff to provide continuity of programming for all students.

Following direction from ECE, BDEC is transitioning from it's four year strategic plan to an annual Operating Plan. For this fiscal year, all stated pillars and goals will remain the same. The District Education Council (DEC) will review the strategic plan and make appropriate changes to be included in the 2018-2019 Operating Plan.

BDEC Board of Directors

The BDEC Board of Directors are appointed by the DEA's from the local communities. Both Gwich'in Tribal Council and the Inuvialuit Regional Corporation have the authority to appoint one position (each) on the BDEC Board. DEA positions are elected in the local communities and serve for a three year term. At the February 2017 Regular Board Meeting of the BDEC Board, the new members of the BDEC Board were introduced, and elections were held for the Chairperson, Vice-Chairperson and Member at Large for the Board. The BDEC Board had one face to face meeting, and two video conference meetings during the 2016 – 2017 year.

Chairperson	Rebecca Blake
Vice-Chairperson	Gilbert Thrasher Sr
Member-at-Large	Darlene Gruben
Aklavik	Lorna Storr
Fort McPherson	Rebecca Blake
Inuvik	Lesa Semmler
Paulatuk	Gilbert Thrasher Sr
Sachs Harbour	Sharon Green
Tsiigehtchic	Anna May MacLeod
Tuktoyaktuk	Darlene Gruben
Ulukhaktok	Joanne Ogina
Gwich'in Tribal Council	Robert Charlie
Inuvialuit Regional Corporation	Lucy Kuptana

The Executive Committee consists of the Chairperson, the Vice-Chairperson, the Member-at-Large which are elected by the BDEC Board, and the two appointed positions from GTC and IRC. The Executive Committee meets monthly with the BDEC Board Office Staff.

BDEC Staff

Superintendent of Schools	Chris Gilmour
Supervisor of Schools	Frank Galway
Comptroller	Gary McBride
Public Affairs Coordinator	Sheila Nasogaluak
LAN Manager	Michael Reardon
Technical Officer	Dylan Blais
Finance Officers	Ken Crocker
	Kurt Scheiwiller

Administrative Assistant	Lisa Steen

Consultants

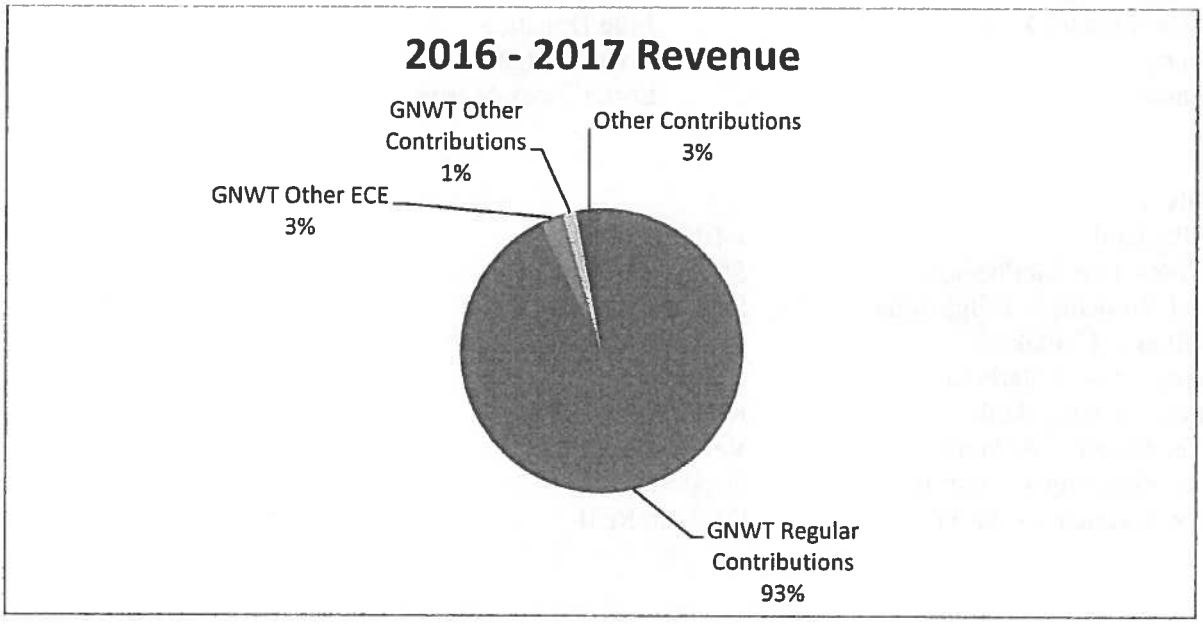
Aboriginal Language and Culture	Denise McDonald
Data	Tara Gilmour
eLearning	Gene Jenks
Inclusive Schooling	Theresa Hartley
Literacy Coordinator k-12	Julie Donahue
Math Science	Adam Wright
PowerSchool	Lorna Jones-Martin

Principals

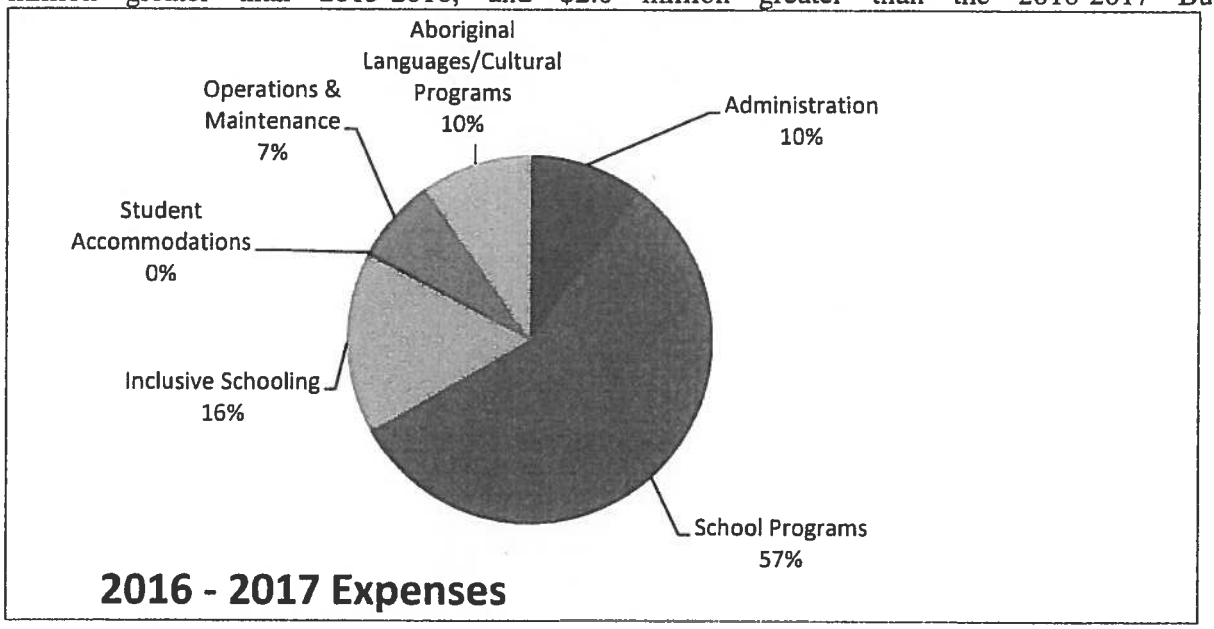
Angik – Paulatuk	Jeffrey Planetta
Chief Julius – Fort McPherson	Shirley Peterson
Chief Paul Nitidchie – Tsiighetchic	Sonia Gregory
Helen Kalvak – Uluhaktok	Richard McKinnon
Inualthuyak – Sachs Harbour	Karen Bibby
Mangilaluk – Tuktoyaktuk	Krista Cudmore
Moose Ker School – Aklavik	Velma Illisiak
East Three Elementary – Inuvik	Deborah Reid
East Three Secondary – Inuvik	Deborah Reid

Financial Highlights

Revenues for 2016–2017 of $30.9 million were $2.3 million higher than budgeted. GNWT regular contributions accounted for a 93% of the revenue at $28.6 million an increase of $1.25 million from 2015-2016 year. Other contribution agreements from the GNWT brought the total GNWT contributions to just less than $30 million which is an increase of $751.5K from the 2015 – 2016 year. Total revenues of $30.9 million were an increase of $674.3K from the 2015-2016 year.



Expenses are broken into program cost; school programs accounted for 57% of cost at $17.3 million, Inclusive schooling for 16% of cost at $4.9 million. Overall total expenses at $30.6 million were $1.4 million greater than 2015-2016, and $2.0 million greater than the 2016-2017 Budget.

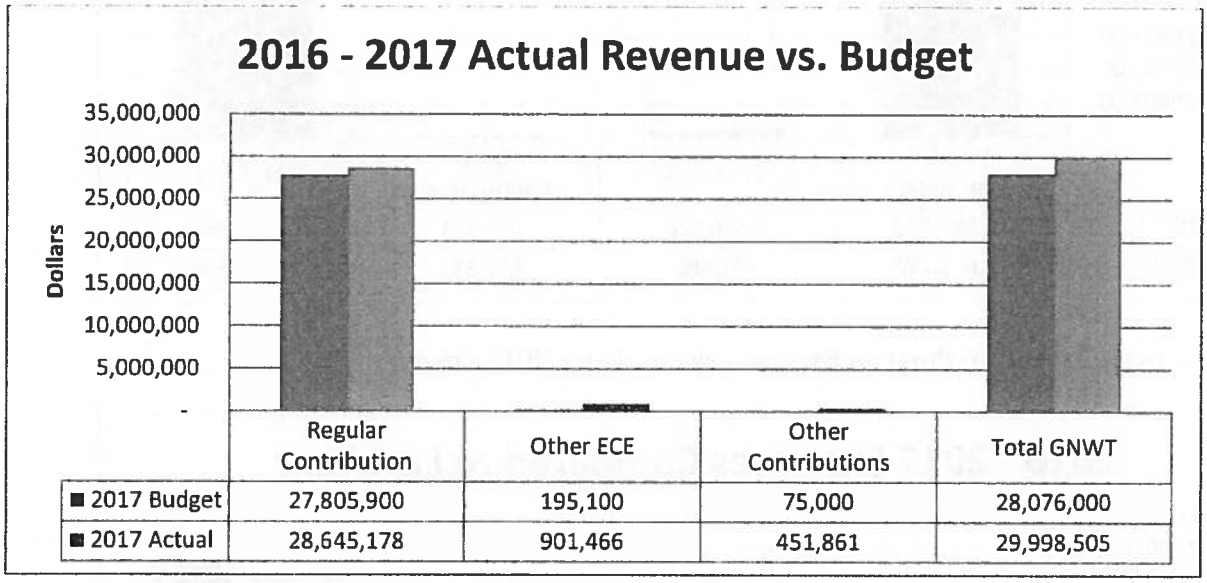


2016 – 2017 Revenues

For 2016 - 2017 BDEC Consolidated Statement of Operations had an Accumulated Surplus of $339,344 compared to a budgeted surplus of $17,014. This is attributed to additional contribution from the Government of the NWT ($1.9 million above budget) and Revenue from Board Generated Funds ($351K above budget).

The DEA's and BDEC continue to form strategic partnerships, and are successful in finding additional sources of funding for school activities.

Chart 1 displays our 2016 – 2017 Actual Revenues compared to the budgeted revenue.



	Regular Contribution	Other ECE	Other Contributions	Total GNWT
2017 Budget	27,805,900	195,100	75,000	28,076,000
2017 Actual	28,645,178	901,466	451,861	29,998,505

2016 – 2017 Expenses

Expenses for the year end June 2017 were $2.0 million more than the budget of $28.6 million for a total cost of $30.6 million. This represents a $1.4 million increase in expenditures from 2015 -2016, or a 4.9% increase in program spending.

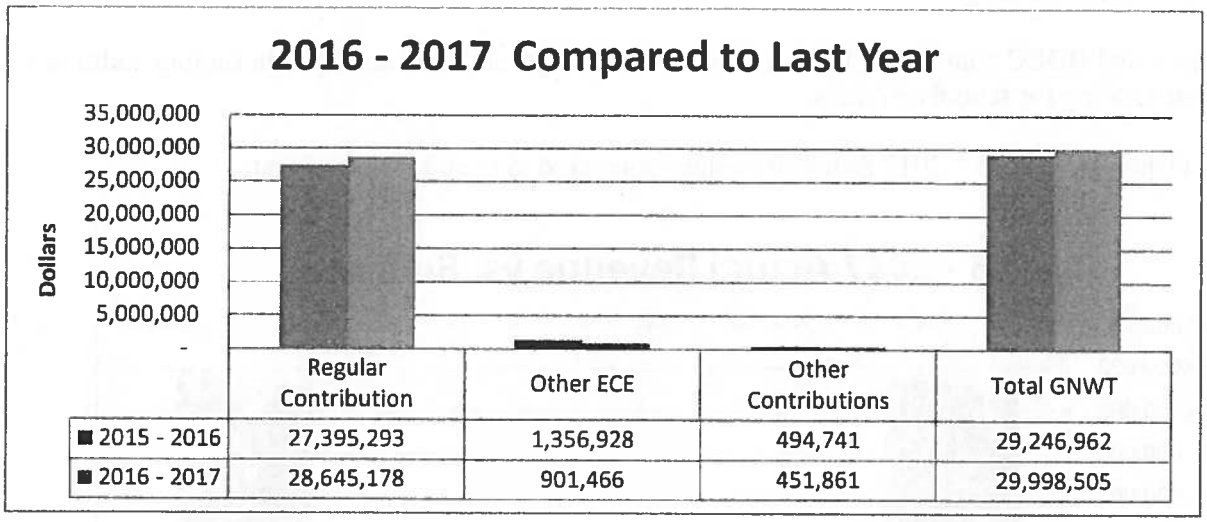
Inclusive schooling had expenses of $4.9 million representing a decrease in spending from the 2015 - 2016 year of $449K. Focus for Inclusive Schooling for the 2016 – 2017 was staff development to be better positioned to assist with student learning.

Aboriginal Languages/Cultural Programs had expenses of $3.0 million which represents an increase of expenditures of $581K from the 2015 – 2016 year.

Chart 2 is a program comparison of our expenses for 2016-2017 compared to the budgeted expenses.

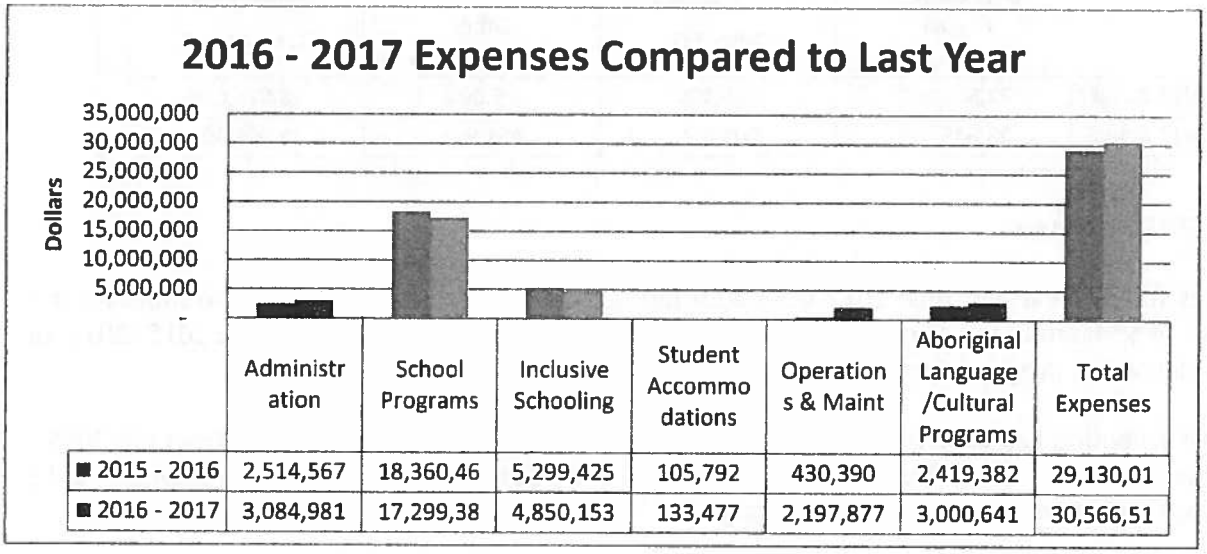
When comparing 2017 against 2016, BDEC experienced a 2.2% increase in revenues, and an increase in expenses of 4.9% resulting in an operating surplus of $339,344 compared to the operating surplus for 2016 of $1,101,515.

Chart 3 is a comparison of the Year-end 2017 GNWT Revenues compared to the 2016 Revenues



	Regular Contribution	Other ECE	Other Contributions	Total GNWT
2015 - 2016	27,395,293	1,356,928	494,741	29,246,962
2016 - 2017	28,645,178	901,466	451,861	29,998,505

Chart 4 compares the 2016 Program Expenses against to the 2015 Program Expenses.



	Administration	School Programs	Inclusive Schooling	Student Accommodations	Operations & Maint	Aboriginal Language /Cultural Programs	Total Expenses
2015 - 2016	2,514,567	18,360,46	5,299,425	105,792	430,390	2,419,382	29,130,01
2016 - 2017	3,084,981	17,299,38	4,850,153	133,477	2,197,877	3,000,641	30,566,51

2016 - 2017 continues the trend from 2012-2013 of achieving an operating surplus. In 2013-2014 BDEC after four years of having an Accumulated Deficit managed a small Accumulated Surplus. With the $339K operating surplus for 2016 – 2017 year, BDEC has an Accumulated Surplus of $3.6 million. This provides some financial security allowing BDEC to expand some programs, and gives BDEC the ability to best meet the needs of the students.

The strength of the organization is the commitment of the staff working for the Beaufort Delta Education Council, and their dedication to the students in our area. The weakness of the organization is the remoteness of some of the schools, the distance between the schools and the high turnover of the staff. Each year represents a major recruiting drive to replace approximately 20% of the teaching staff. Student attendance remains a high concern, and many initiatives have been put forward to increase the student's attendance in the schools.

Student and Teacher population for each school

Community	School	2017 Students	2017 Teachers	2016 Students	2016 Teachers
Aklavik	Moose Kerr	119.50	12.00	146.0	10.25
Fort McPherson	Chief Julius	145.25	12.00	138.5	11.00
Inuvik	East 3 Elem	393.50	21.00	347.00	18.50
Inuvik	East 3 Second	269.25	19.00	266.00	17.50
Invuik DEA	Subtotal	662.75	40.00	613.00	36.00
Paulatuk	Angik	50.75	5.50	51.75	4.50
Sachs Harbour	Inualthuyak	14.00	1.25	20.00	2.00
Tsiigehtchic	Chief Paul Niditchie	42.00	3.65	33.00	3.00
Tuktoyaktuk	Mangilaluk	216.00	16.00	221.50	14.00
Ulukhaktok	Helen Kalvak	111.25	6.80	107.00	7.00
Total		1361.50	97.20	1330.8	87.75

The Mary Bryant Award for Improvement in English (Award)

A joint venture between the Beaufort Delta Education Council, (BDEC) the Mary and Joe Bryant family (Family) and the Ottawa Independent Writers (OIW): "the Parties", wish to establish a fund to be known as the "Mary Bryant Award for Student Improvement in English". The fund shall consist of a principal amount, to be determined, and interest earned and accrued on such principal amount. Additional contributions may be received by BDEC from individual donors to the fund in future years. Such contributions shall be added to the principal amount. The fund is currently administrated by the Ottawa Independent Writers in combination with other funds administrated through the organization.

Background

Ottawa resident Mary Bryant, now deceased, spent many years working in the North, and taught school in Aklavik. She was an avid writer and long-time member of the Ottawa Independent Writers organization (www.oiw.ca). Upon her passing in spring 2011, the OIW Board felt that an appropriate tribute to her amazing life would be an award to a deserving student within the BDEC, with emphasis on English skills. The idea was proposed to the Family and the BDEC, and was met with great enthusiasm. This paper sets out the proposed operation and other issues pertaining to the Award.

Concept

OIW, the Family and other interested parties will contribute to the Award, to be managed by the BDEC. It will be set up as an endowment, with the principal to be invested and the annual award to be paid from interest earned, although the initial award, hopefully given in 2012, and some incidental set-up expenses may be drawn from the principal as there will be little time available for interest earning. The Family will act as financial advisors to BDEC, to ensure the Award will be available for a deserving student for many years to come. The Award is intended to be a yearly event, unless for some reason no student qualifies for the criteria established by the BDEC.

The Parties agree that they will act collegially on the ongoing management of the Award. OIW commits to an initial contribution of $1000, the Family to at least $2000, and OIW will solicit additional contributions from persons familiar with Mary. BDEC will issue tax receipts to those contributors who indicate a desire for same.

The Award Recipient

The Award is intended for a high school student within the BDEC jurisdiction, with particular emphasis, but not necessarily to the exclusion of other areas, on the regions of Aklavik, Tuktoyaktuk, and Fort McPherson, as these communities had special interest to Mary. The BDEC will set up the selection process as it sees fit: the Award is intended for a high school student who has shown the most improvement in written English skills during the school year. BDEC will develop the specific criteria to be used to select the winning student, and advise the other Parties of the winner and the reasons for choosing that student. The Award will be presented in a suitable ceremony near the end of the school year. The other Parties will attempt to take part in the ceremony in some electronic fashion if possible. The Award is independent of any other honors the recipient may receive. The recipient will receive a cheque for the designated amount, as determined by the BDEC and the Family, plus a small token of

remembrance he or she may keep. There will also be a modest plaque or similar item created by the BDEC that will identify the Award, and each year's recipient; the enduring plaque will rotate from school to school on an annual basis as winners are selected. While the student may use the Award in whatever manner he or she wishes, OIW and the Family would prefer that it be used in some way that advances the student's educational career.

The Award is open to all high school students attending a school within BDEC's jurisdiction and shall be granted to the student who shows the most improvement in English studies throughout the school year. The Award is intended to be a yearly event, unless for some reason no student qualifies for the criteria established by BDEC.

Criteria used to determine the recipient of the award shall be developed by BDEC, in consultation with the Parties. The Parties and BDEC agree to act collegially on the ongoing management of the fund/Award.

In the event that unforeseen circumstances make the specified use of this Fund no longer practical or desirable, BDEC is hereby authorized to make any changes it may deem appropriate, such changes however to be in keeping, as far as possible, with the spirit and general intent of the fund and with agreement of the Parties.

No funds were awarded in the 2016 – 2017 year.

Stallworthy-Carpenter Fund

Sarah Hilda Stallworthy was the widow of an RCMP officer who served the NWT during the 1940s. Mrs. Stallworthy had never been to the NWT, but maintained an interest in its development and was concerned about the difficulties she believed native children faced in higher education.

The Superintendent of the BDEC was able to describe for Mrs. Stallworthy an initiative the Board would be taking over the next few years to ease the transition for native students from small communities as they are brought into the high school in Inuvik.

Mrs. Stallworthy felt that this plan has significant merit, and in April 1990 made the Beaufort-Delta Board the beneficiary of her estate.

Mrs. Stallworthy passed away in August 1990. The estate of approximately $215,000 will be held in trust with the annual interest to be used at the discretion of the Superintendent to further the secondary education of native students within the Board. The fund has been designated by the Board the Harry Stallworthy/Noah Carpenter fund. Mr. Stallworthy developed his wife's enduring interest in the north; Mr. Carpenter is a native resident from the jurisdiction of the Board who has completed higher education including a medical degree and thus provides a positive role model for students of the Board.

The will stated that BDEC should receive this money with the provision that the principal remain intact and all interest earned to be used to fund aboriginal students for activities in keeping with the intent of the Will.

Initially, the intent of the Will was to fund orientation visits for students who would be attending high school outside of their community. After our regional residence closed, the BDEC Executive broadened the scope to include activities for more senior students to travel nationally and internationally. Such travel must contain some element that supports or promotes the post-secondary education and/or success in school. Travel for sport activities is NOT eligible.

In 2004/05 the BDEC executive decided to allocate to a maximum of $2K/eligible school. This was raised to $2.5K/eligible school in 2011/12. Meritorious proposals are presented to the Executive each spring for the ensuing school year.

No funds were awarded in the 2016 – 2017 year.

2016 - 2017 Long Term Service Awards

The Beaufort Delta Education Council believes that our successes come from the dedication of staff in each of our communities. Even with the challenge of high staff turn-over each year, there continues to be a group of dedicated long-term staff working for BDEC. In recognition of their dedication each year BDEC recognizes the contribution of our long term staff with long term service awards. For the 2016 – 2017 year the following individual were recognized by the management team.

Community	Name	Service Years
Aklavik	Heather Greenland	5
	Edward Hartley	10
	Anna-Lee McLeod	15
	Velma Illasiak	35
Fort McPherson	Sierra Daley	5
	Erica Thompson	5
	Joanne Tetlichi	25
Inuvik	Deirdre Dagar	5
	Maryssa Camacho	5
	Stephen Dagar	10
	Stephanie Parkes	10
	Matthew Miller	10
	Megan Miller	10
	Michael Reardon	10
	Paula Guy	15
	Chauna MacNeil	15
	Christopher Gilmour	15
	Tara Gilmour	15
	Lorne Guy	15
	Daniel Rogers	15
	Annie Charlie	20
Paulatuk	Agnes Ruben	5
Sachs Harbour	Karen Bibby	5
Tuktoyaktuk	Mervin Chicksi	5
	Ephraim Warren	10
	Audrey Walker	10
Ulukhaktok	Mollie Rose Oliktoak	25

Accomplishments

The Beaufort Delta Education Council is proud of the gifted educators that work in our school district. Countless hours are put in by many of the staff to maintain excellence in education for our communities. In the 2016 – 2017 year staff received the following awards.

Erica Thompson from the Chief Julius School located in Fort McPherson received the following awards:

Prime Minister's Award Certificate of Excellence (2017)
Premier's Award for Excellence (2017)

Alexandra Winchester from the East Three Secondary School located in Inuvik received the following award:

Prime Minister's Award Certificate of Achievement (20170

Ephraim Warren from the Mangilaluk School located in Tuktoyaktuk received the following award:

NAPEG Science Teaching Award (2017)

Annie Felix from the Mangilaluk School located in Tuktoyaktuk received the following award:

NWT Education Hall of Fame Inductee (2017)

Summary and Outlook

BDEC has completed a most successful year both scholastically and financially. Many of the communities have introduced community specific programs which encourages attendance. This year resulted in a number of graduate looking to further their education through advanced schooling. Attendance continues to be a major concern. The schools are constantly reviewing and looking for better ways to engage the students and their parents in encouraging attendance. With our hiring program this year we were pleased to offer positions to a number of our former graduate. These individuals have become role models for our students as to what they can accomplish, and that they can bring their education back to their community to help others.

Financially we have managed to accumulate a surplus through effective cost controls, forming partnerships with other groups, and through the efforts of staff to bring forward ideas where we have been funded with additional contribution agreements.

Looking forward, there is a concern about the potential for reduced funding. BDEC is well positioned financially and looking forward to 2017 – 2018 has identified areas where additional staffing will result in better services to our students, so reallocation of staff and increased staffing has been planned starting in the 2017 – 2018 year. Our staff continues to look for opportunities to deliver education in an effective and efficient manner. The opportunities are forming education partnerships, eLearning, and new approaches to education. Staff continue to develop skill sets through attendance at conferences, and a number of staff continue to upgrade their skill set to become better at their positions. With this dedication, even with the possibility of reduced funding we believe the future is bright for the students of the Beaufort Delta.

BEAUFORT- DELTA EDUCATION COUNCIL

Aklavik, Ft. McPherson Inuvik Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk Ulukhaktok

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Beaufort-Delta Education Council have been conducted within the statutory powers of the Beaufort-Delta Education Council. The operations and administration of the Beaufort-Delta Education Council as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Beaufort-Delta Education Council Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

The auditors, Avery Cooper & Co. Ltd., Chartered Professional Accountants, 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.

Approved and confirmed on behalf of the Beaufort-Delta Education Council

Chris Gilmour
Superintendent
August 4, 2017

Gary McBride
Comptroller

Bag Service # 12, Inuvik, NT X0E 0T0 Tel: (867) 777-7136 Fax: (867) 777-2469
Website address: www.bdec.nt.ca

AVERY COOPER & CO. LTD.
Chartered Professional Accountants

4918—50th Street, P.O. Box 1620
Yellowknife, NT X1A 2P2
www.averycooper.com

Telephone: (867) 873-3441
Facsimile: (867) 873-2353
Toll-Free: 1-800-661-0787

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Beaufort-Delta Education Council which comprise the Consolidated Statement of Financial Position as at June 30, 2017 and the Consolidated Statements of Changes in Net Financial Assets (Debt), Revenue and Expenses and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated financial statements.

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

Basis for Qualified Opinion

Salaries and related benefits paid to employees of the Beaufort-Delta Education Council are administered by the Government of the Northwest Territories and are audited as part of the Government of the Northwest Territories audit. Our audit scope was limited as we did not audit the components of compensation and benefits expenditures and related balances. Accordingly we are not able to determine whether any adjustments might be necessary to compensation and benefits expenditues, payroll liabilities, employee future benefits, net financial resources, and accumulated surplus/deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

INDEPENDENT AUDITORS' REPORT - cont'd.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Beaufort-Delta Education Council as at June 30, 2017 and its financial performance 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, in our opinion, proper books of account have been maintained by the Beaufort-Delta Education Council, the consolidated financial statements are in agreement therewith and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of the Council.

Other Matter

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements of Beaufort-Delta Education Council taken as a whole. The supplementary information included on Schedules 2 through 34 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of consolidated financial statements taken as a whole.

Avery Cooper & Co. Ltd.

AVERY COOPER & CO. LTD.
Chartered Professional Accountants
Yellowknife, NT

August 4, 2017

BEAUFORT-DELTA EDUCATION COUNCIL

Statement I

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 4)	$ 10,251,742	$ 9,007,811
Restricted Assets (Note 6)	258,884	256,459
Accounts Receivable (Note 8)	295,039	279,911
	10,805,665	9,544,181
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 10)	637,981	787,910
Payroll Liabilities (Note 10)	2,702,006	2,683,825
Contribution Repayable (Note 12)	5,282	38,264
Employee Deductions Payable	716	1,537
Deferred Revenue (Note 11)	192,320	310,707
Post-Employment Benefits (Note 17)	3,422,599	2,207,324
Trust Liabilities (Note 6)	258,884	256,459
	7,219,788	6,286,026
NET FINANCIAL ASSETS (Statement II)	3,585,877	3,258,155
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	20,863	9,241
	20,863	9,241
ACCUMULATED SURPLUS (Statement IV)	$ 3,606,740	$ 3,267,396

CONTINGENCIES (Note 25)

Approved:

_____ Superintendent

_____ Council Member

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement II

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
OPERATING SURPLUS	$ 17,014	$ 339,344	$ 1,101,515
Acquisition of Prepaid Expenses	-	(20,863)	(9,241)
Use of Prepaid Expenses	-	9,241	31,022
	-	(11,622)	21,781
INCREASE IN NET FINANCIAL ASSETS	17,014	327,722	1,123,296
NET FINANCIAL ASSETS, BEGINNING OF YEAR	3,258,155	3,258,155	2,134,859
NET FINANCIAL ASSETS, END OF YEAR	$ 3,275,169	$ 3,585,877	$ 3,258,155

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement III

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Government of the NWT			
Regular contributions	$ 27,805,900	$ 28,645,178	$ 27,395,293
Other ECE contributions	195,100	901,466	1,356,928
Other contributions	75,000	451,861	494,741
Total Government of the NWT	28,076,000	29,998,505	29,246,962
Government of Canada	-	34,009	20,966
Board Generated Funds			
Investment Income	52,000	72,560	67,718
Rentals	-	6,472	3,829
Other	469,960	794,310	892,059
Total Board Generated Funds	521,960	873,342	963,606
TOTAL REVENUE	28,597,960	30,905,856	30,231,534
EXPENSES (Schedule 1)			
Administration	2,486,668	3,084,981	2,514,567
School Programs	18,960,278	17,299,383	18,360,463
Inclusive Schooling	4,672,000	4,850,153	5,299,425
Student Accommodations	-	133,477	105,792
Operations & Maintenance	-	2,197,877	430,390
Aboriginal Languages/Cultural Programs	2,462,000	3,000,641	2,419,382
TOTAL EXPENSES	28,580,946	30,566,512	29,130,019
OPERATING SURPLUS	$ 17,014	$ 339,344	$ 1,101,515

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement IV

CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
For the Year Ended June 30, 2017

	2017	2016
OPERATING FUND SURPLUS		
Operating Fund Surplus/(Deficit), Beginning of Year	$ 3,267,396	$ 2,165,881
Operating Surplus	339,344	1,101,515
Operating Fund Surplus, End of Year	$ 3,606,740	$ 3,267,396

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement V

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2017

Cash provided by (used in):	2017	2016
OPERATING TRANSACTIONS		
Operating surplus (deficit)	$ 339,344	$ 1,101,515
Changes in non-cash assets and liabilities:		
Decrease (increase) in accounts receivable	(15,128)	90,262
Increase (decrease) in accounts payable	(149,929)	101,394
Increase (decrease) in payroll liabilities	18,181	(839,806)
Increase (decrease) in contributions repayable	(32,982)	(84,268)
Increase (decrease) in employee deductions payable	(821)	(35,806)
Increase (decrease) in deferred revenue	(118,387)	26,936
Increase (decrease) in post-employment benefits	1,215,275	(71,353)
Decrease (increase) in prepaid expenses	(11,622)	21,781
Cash provided by operating transactions	1,243,931	310,655
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,243,931	310,655
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,007,811	8,697,156
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 10,251,742	$ 9,007,811

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 NATURE OF ORGANIZATION

The Beaufort-Delta Education Council was established under the Education Act of the government of the Northwest Territories by order of the Minister dated March 31, 1989. Its purpose is to administer and maintain the standards of educational programs defined under the Act in the member communities of the Beaufort-Delta region.

Member communities have formed local District Education Authorities (DEA) which have assumed the responsibility to provide adequate educational programs within their respective communities.

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial assets (debt) and change in financial position of the reporting entity. This entity comprises the Education Council operations plus all of the member District Education Authorities that are owned or controlled by the Beaufort-Delta Education Council and are, therefore, accountable to the Council for the administration of their financial affairs and resources. At present, the DEA's that are owned or controlled by the organization are Aklavik, Tsiigehtchic, Fort McPherson, Inuvik, Paulatuk, Sachs Harbour, Tuktoyaktuk and Ulukhaktok.

Interdepartmental and organizational transactions and balances between these organizations have been eliminated for consolidation purposes.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expense items are recognized in the accounts and reported in the consolidated financial statements. The accrual basis of accounting is utilized for all funds. Under this basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques and short term highly liquid investments that are readily convertible to cash and with a maturity date of 90 days or less from the date of acquisition.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arms' length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized cost include cash, accountable funds, due from the GNWT and other accounts receivable.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, payroll liabilities, deferred revenue, post-employment benefits and accountable funds.

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

(d) Non-Financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by the Beaufort-Delta Education Council because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Beaufort-Delta Education Council.

(e) Tangible Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. The minister grants to the Beaufort-Delta Education Council the full occupancy and use of such facilities and equipment where required for the administration and delivery of the education programs. Capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Capital assets with a value of less than $50,000 are recorded as a current expense.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Revenue Recognition

Government Transfers:

Revenues are recognized in the period in which the transactions or events occur 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, 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 assets are recognized as acquired or built.

GNWT - Regular contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Beaufort-Delta Education Council 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 GNWT.

Other contributions:

The Beaufort-Delta Education Council follows the deferral method of accounting for other contributions. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be reasonably estimated and its collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Stallworthy / Carpenter Endowment contributions:

Endowment contributions and investment income are recognized as direct increases in accumulated surplus.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Budget Data

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees of each Beaufort-Delta Education Council and the budget is legally adopted by a motion of the board in accordance with Section 135(3) of the Education Act.

Board approved budgets are submitted to the Minister of education, Culture and Employment for final approval as directed by Sections 117(2) k, l and m of the Education Act.

This annual budget includes estimates of revenues, expenses and the net operating surplus (deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Beaufort-Delta Education Council.

The budget may be amended within a given fiscal year in accordance with Beaufort-Delta Education Council policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards 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 consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from those estimates. Accounts subject to measurement uncertainty are post-employment benefits as determined by an actuary.

(i) Inventories including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Beaufort-Delta Education Council are treated as expenses during the year of acquisition and are not recorded on the statement of financial position.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Payroll Liabilities

According to the Northwest Territories Teachers Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th which provides for continued payment during the summer. GNWT payroll for NWTTA starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31. Pay periods falling in July are therefore accrued.

The duties and compensation base for UNW School year employees are scheduled to align with the academic year although actual start dates and durations vary by specific location and job function. Accordingly, the Beaufort-Delta Education Council determines the start dates of their UNW employees and accrues the related payroll liability as appropriate.

All other staff are accrued to include earnings to June 30.

(k) Other Employee Future Benefits and Compensated Absences

Under the terms and conditions of employment, education board employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternal and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(l) Special Purpose Funds

School activity funds which are fully controlled by the Beaufort-Delta Education Council with respect to when and how the funds available can be discussed are included. the funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefit. examples might include planned student trips or funds specifically designated for the purchase of equipment or materials required to support an activity.

Student activity funds which are controlled by students or parties other than the Beaufort-Delta Education Council are not included even if custody of the funds is held by the Beaufort-Delta Education Council. Examples of excluded funds might be student clubs or associations for which the Beaufort-Delta Education Council has no ongoing responsibility of liability for losses.

(m) Contributed Materials and Services

The Beaufort-Delta Education Council recognizes contributions of materials and services, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations and would otherwise have been purchased.

NOTE 3 FUTURE ACCOUNTING CHANGES

(a) Contingent assets (PS 3320 - April 1, 2017)
(b) Contractual rights (PS 3430 - April 1, 2017)
(c) Related Party Transactions: Inter-entity Transfer Valuations (PS 3420 - April 2018)
(d) Restructuring transactions (PS 3430 - April 1, 2018)
(e) Financial Instruments (PS 3450 - April 1, 2019)
(f) Student Activity / Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

NOTE 4 CASH AND CASH EQUIVALENTS

	2017	2016
Cash	$ 10,251,742	$ 9,007,811
	$ 10,251,742	$ 9,007,811

NOTE 5 SPECIAL PURPOSE FUNDS

(Not applicable)

NOTE 6 RESTRICTED ASSETS

The Council received a bequest to establish the Harry Stallworthy - Noah Carpenter Fund. The terms of the bequest state that the principal shall remain intact and the net annual income therefrom shall be made available to students of Inuit heritage for financial assistance in the High School Orientation Program.

		2017	2016
Comprised of:			
Short-term	- GIC 0.95% due June 22, 2018	$ 250,000	$ 250,000
	- Due from general cash	8,884	6,459
		$ 258,884	$ 256,459
Stallworthy / Carpenter Endowment Fund: (Note 21)			
Principal proceeds received		$ 216,515	$ 216,515
Interest earned to date		261,282	255,645
Expenses to date		(218,913)	(215,701)
		$ 258,884	$ 256,459

NOTE 7 PORTFOLIO INVESTMENTS

(Not applicable)

NOTE 8 ACCOUNTS RECEIVABLE

	Accounts Receivable	Allowance	2017	2016
Government of the Northwest Territories:				
- Education, Culture and Employment	$ 57,100	$ -	$ 57,100	$ 53,544
- Health and Social Services	-	-	-	4,466
- Municipal and Community Affairs	-	-	-	4,630
Due from GNWT	57,100	-	57,100	62,640
Other Accounts receivable	420,322	182,383	237,939	217,271
	$ 477,422	$ 182,383	$ 295,039	$ 279,911

NOTE 9 INVENTORY

(Not applicable)

NOTE 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Government of the Northwest Territories:		
Education, Culture and Employment	$ -	$ 23,212
Health and Social Services	880	-
Municipal and Community Affairs	10,562	29,630
Department of Finance	7,842	-
Environment and Natural Resources	2,810	-
Department of Justice	-	3,592
Department of Industry, Tourism and Investment	5,808	6,717
Government of the Northwest Territories	27,902	63,151
Related Parties	307,379	235,518
Accounts payable	81,157	262,355
Accrued payables	221,549	226,847
	637,987	787,871
Payroll Liabilities	2,702,006	2,683,825
	$ 3,339,993	$ 3,471,696

NOTE 11 DEFERRED REVENUE

	2017	2016
Education, Culture & Employment		
- HKS Kitchen Upgrade	$ -	$ 19,800
- E3E Playground	1,022	23,816
- Healthy Food for Learning	22,269	81,707
- Safe and Caring Schools	-	2,160
- Resiliency & Leadership	-	865
- Elders in School	-	21,842
Justice		
- New Beginnings - Inuvik DEA	-	5,159
Library		
- School & Public Library Services - Ft. McPherson DEA	7,807	7,537
- Library - Ulukhaktok DEA	20,546	21,849
Healthy and Social Services		
- Drop the Pop	2,872	11,025
Municipal & Community Affairs		
- Ivvavik	-	5,155
Government of the Northwest Territories	54,516	200,915
- Health Canada - Community Oral Health initiative	5,290	13,074
-	1,000	-
Government of Canada	6,290	13,074
Inuvik Community Corporation	23,989	9,238
Charities Aid Foundation - America	8,264	-
Canadian Womens Foundation - A Relationship to die four	-	92
Hamlet of Sachs Harbour	2,749	1,500
Inuvialuit Regional Corporation	32,960	33,732
Food First Foundation	9,756	6,024
Beaufort Delta Recreation Association	-	20,741
Breakfast for Learning	5,605	-
E3E Breakfast	5,000	5,000
Tides - OTL - Collaborative Fund	40,000	18,650
NWT Parks & Rec Get Active NWT	3,191	1,741
	$ 192,320	$ 310,707

NOTE 12 CONTRIBUTION REPAYABLE

	2017	2016
Education, Culture & Employment - Library Services - Aklavik DEA	5,282	1,717
Government of the Northwest Territories	5,282	1,717
Tlicho Community Services eLearning	-	36,547
	5,282	38,264

NOTE 13 DUE FROM AND TO THE GOVERNMENT OF CANADA

(Not applicable)

NOTE 14 CAPITAL LEASE OBLIGATION

(Not applicable)

NOTE 15 PENSIONS

(Not applicable)

NOTE 16 LONG-TERM DEBT

(Not applicable)

NOTE 17 OTHER EMPLOYEE FUTURE BENEFITS AND COMPENSATED ABSENCES

In addition to the pension benefits, The Beaufort-Delta Education Council provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Beaufort-Delta Education Council's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and Removal	Compensated Absences	2017	2016
Changes in Obligation:				
Accrued benefit obligations beginning of year	$ 1,878,251	$ 229,651	$ 2,107,902	$ 3,502,382
Current period benefit cost	117,103	19,652	136,755	633,622
Interest accrued	56,594	7,025	63,619	87,770
Benefit payments	(429,912)	(59,514)	(489,426)	(452,529)
Actuarial (gains)/losses	126,057	141,265	267,322	(1,663,343)
Accrued benefit obligations end of year	1,748,093	338,079	2,086,172	2,107,902
Unamortized net actuarial gain	938,776	263,833	-	1,663,343

Net future obligation	2,686,869	601,912	2,086,172	3,771,245
Total employee future benefits and compensated absences	2,686,869	601,912	2,086,172	3,771,245
Benefits Expense:				
	-	-	-	-

The discount rate used to determine the accrued benefit obligation is an average of 3%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
2018	$ 375,166	$ 76,773	$ 451,939
2019	226,246	48,585	274,831
2020	183,522	38,831	222,353
2021	189,952	38,365	228,317
2022	178,706	35,601	214,307
Next 5 years	684,581	127,867	812,448
Thereafter	1,450,608	1,741,880	3,192,488
Total	$ 3,288,781	$ 2,107,902	$ 5,396,683

NOTE 18 TRUST ASSETS UNDER ADMINISTRATION

(Not applicable)

NOTE 19 TANGIBLE CAPITAL ASSETS

(Not applicable)

NOTE 20 PREPAID EXPENSES

	2017	2016
Alberta Assessment Consortium	1,100	1,100
Canada Revenue Agency	1,220	-
Career Cruising	-	998
R Agnes	-	2,450
Canadian North	-	2,508
Ontario Public Support	-	944
VISA charges	18,543	-
Arctic Inn	-	525
WestJet	-	716
	20,863	9,241

NOTE 21 ACCUMULATED SURPLUS/DEFICIT

Accumulated Surplus is comprised of an Operating Fund Surplus and the Stallworthy / Carpenter Endowment. Refer to Statement IV Statement of Accumulated Surplus for further details.

NOTE 22 CAPITAL ADVANCES

(Not applicable)

NOTE 23 GNWT ASSETS PROVIDED AT NO COST

	Cost	Accumulated Amortization	2017 Net Book Value	2016 Net Book Value
East Three Secondary School Carpentry shop	$ 461,563	$ 461,563	$ -	$ -
East Three Secondary School Auto Shop	541,689	468,405	73,284	88,712
Moose Kerr School	8,123,452	5,075,074	3,048,378	3,307,814
Aklavik Portable Classrooms	62,052	62,052	-	-
Chief Julius School	10,064,072	4,547,110	5,516,962	4,788,490
Mangilaluk School	7,146,891	4,483,791	2,663,100	2,871,971
Inualthuyak School	2,298,578	1,274,715	1,023,863	1,155,974
Helen Kalvak School	8,864,887	6,553,026	2,311,861	2,610,166
Angik School	3,697,250	1,999,797	1,697,453	1,820,905
Chief Paul Nitdchie School	2,467,761	770,362	1,697,399	1,768,619
Moose Kerr Foundation Replacement	753,546	117,776	635,770	654,608
Tsiigehtchic Gym	1	-	1	1
Moose Kerr School - Ventilation	173,505	56,735	116,770	128,350
Angik School Retrofit	123,278	45,733	77,545	87,551
Helen Kalvak School Vent & DDC Retrofit	354,896	125,692	229,204	258,778
East Three New Inuvik School	106,182,229	12,841,429	93,340,800	96,001,345
Tsiigehtchic Gym Pilings	205,668	20,995	184,673	189,814
Aklavik Community Library	234,794	104,194	130,600	136,469
	$151,756,112	$ 39,008,449	$112,747,663	$115,869,567

NOTE 24 CONTRACTUAL OBLIGATIONS

The Council has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2017:

	Expires in Fiscal Year:	2018	2019-2022	Total
Commercial Leases	2020	$ 146,100	$ 219,150	$ 365,250
Equipment Leases	2022	87,850	122,386	210,236
Total		$ 233,950	$ 341,536	$ 575,486

Estimated lease payments are as follows:

2018	$ 233,950
2019	223,101
2020	96,550
2021	17,743
2022	4,142
	$ 575,486

NOTE 25 CONTINGENCIES

(Not applicable)

NOTE 26 RELATED PARTY TRANSACTIONS

The Beaufort-Delta Education Council is related in terms of common ownership to all GNWT-created departments, agencies and corporations. The Council enters into transactions with these entities in the normal course of operations. The Council is provided with various administrative services by the GNWT, the value of which is not reflected in these consolidated financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, payroll services by the Department of Human Resources, internal audit services by the Department of Finance, and utility and maintenance by the Department of Public Works and Services. Transactions with related parties and balances at year end not disclosed elsewhere in the consolidated financial statements are disclosed in this note.

These transactions are in the normal course of operations and have been valued at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to and from related parties are non-interest bearing, and due within normal trade terms.

	2017	2016
Due to related parties		
Accounts payable:		
Contributions		
Government of the Northwest Territories:		
Department of Education, Culture & Employment	$ -	$ 23,212
Department of Health and Social Services	880	-
Department of Municipal & Community Affairs	10,562	29,630
Department of Finance	7,842	-
Department of Environment and Natural Resources.ergy	2,810	-
Department of Justice	-	3,592
Department of Industry, Tourism and Investment	5,808	6,717
Government of the Northwest Territories	27,902	63,151
Other Related Parties:		
Various BDEC Schools	307,379	235,518
Total Accounts Payable	335,281	298,669
Due to Related Parties	$ 335,281	$ 298,669

	Accounts Receivable	Allowance	Net 2017	2016

Due from related parties
Accounts receivable:

Government of the Northwest Territories:				
Department of Education, Culture & Employment	$ 57,100	$ -	$ 57,100	$ 53,544
Department of Health and Social Services	-	-	-	4,466
Department of Municipal & Community Affairs	-	-	-	4,630
Government of the Northwest Territories	57,100	-	57,100	62,640
Due from Related Parties	$ 57,100	$ -	$ 57,100	$ 62,640

NOTE 27 BUDGET DATA

The Education Act of the Northwest Territories requires that Education Bodies 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 Beaufort-Delta Education Council which may or may not include the establishment of 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 expenses for the Operating fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Beaufort-Delta Education Council.

The budget figures presented are those approved by the Minister of Education, Culture and Employment on and have not been audited.

NOTE 28 ECONOMIC DEPENDENCE

The Beaufort-Delta Education Council receives its funding primarily from the GNWT. If the funding arrangements were to change, management is of the opinion that Beaufort-Delta Education Council operations would be significantly affected.

NOTE 29 FINANCIAL INSTRUMENTS

The Council's financial instruments consist of cash and temporary investments, accounts receivable, due from GNWT, accounts payable and accrued liabilities, accrued payroll, leave and termination benefits and due to GNWT. Unless otherwise noted, it is management's opinion that the Council is not exposed to significant interest rate, liquidity, credit, market, currency or cash flow risks arising from these financial instruments.

The Council's carrying value of cash and accrued salaries approximate fair value due to the immediate and short-term maturity of these instruments.

The Council's carrying value of the accrued leave and termination benefits approximates fair value based on information readily available in the NWTTA, UNW and Senior Manager's handbook.

The Council is subject to credit risk with respect to accounts receivable. Credit risk arises from the possibility that customers to which the Council provides services may experience financial difficulty and be unable to fulfil their obligations. The Council regularly monitors the amounts of outstanding receivables and initiates collection procedures to minimize credit risk.

NOTE 30 EXPENSES BY OBJECT

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
Compensation	$ 24,247,557	$ 24,319,848	$ 24,623,310
Other	4,333,389	6,246,664	4,506,709
	$ 28,580,946	$ 30,566,512	$ 29,130,019

NOTE 31 SUBSEQUENT EVENTS

(Not applicable)

NOTE 32 COMPARATIVE FIGURES

(Not applicable)

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 1

CONSOLIDATED DETAILS OF EXPENSES

For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accommodations	Operations & Maintenance	Administration	Aboriginal Languages	2017
SALARIES:							
Teachers	$ 9,603,896	$ 974,274	$ -	$ -	$ -	$ 1,177,163	$ 11,755,333
Instruction Assistants	63,732	-	-	-	-	35,461	99,193
Non-instructional Staff	1,965,143	2,104,252	-	-	1,487,690	508,356	6,065,441
Board/Trustee Honoraria	18,536	-	-	-	67,986	50,722	137,244
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	3,883,016	1,202,399	-	141,789	398,724	580,970	6,206,898
Leave and Termination	55,739	-	-	-	-	-	55,739
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	82,591	-	-	51,228	-	133,819
Postage/Communication	96,026	1,004	3,060	-	40,914	-	141,004
Utilities & Leases	1,014	-	-	-	-	-	1,014
Travel	136,492	81,213	510	-	132,291	75,057	425,563
Student Travel	61,168	5,641	129,907	-	3,938	21,009	221,663
Advertising/Printing/Publishing	-	-	-	-	8,000	1,164	9,164
Maintenance/Repair	58,878	-	-	-	57,234	5,981	122,093
Rentals/Leases	133,208	18,840	-	156,769	42,388	18,850	370,055
Others	55,373	7,120	-	1,899,319	56,798	17,538	2,036,148
Contracted Services	154,282	98,012	-	-	1,122	159,169	412,585
MATERIALS/SUPPLIES/FREIGHT							
Materials	807,588	76,900	-	-	113,962	293,366	1,291,816
Furniture and Equipment	149,312	183,218	-	-	606,189	39,832	978,551
Freight	55,980	14,689	-	-	16,517	16,003	103,189
CONTRIBUTIONS/TRANSFERS							
Total	$ 17,299,383	$ 4,850,153	$ 133,477	$ 2,197,877	$ 3,084,981	$ 3,000,641	$ 30,566,512

Schedule 2

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 61,594	$ 74,317
Due from Related Parties	4,527	4,956
Accounts Receivable	2,380	18,947
	68,501	98,220
LIABILITIES		
Accounts Payable and Accrued Liabilities	2	-
Due to Related Parties	-	35,628
Payroll Liabilities	909	778
Contribution Repayable	5,282	1,717
Deferred Revenue	3,702	5,000
	9,895	43,123
ACCUMULATED SURPLUS	$ 58,606	$ 55,097

Schedule 3

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 59,764	$ 59,764	$ 59,038
Other ECE contributions	51,800	55,869	51,380
Other	8,000	21,671	36,802
TOTAL REVENUE	119,564	137,304	147,220
EXPENSES			
Administration	33,087	36,616	44,893
School Programs	53,300	63,673	62,003
Aboriginal Languages/Cultural Programs	33,177	33,506	44,226
TOTAL EXPENSES	119,564	133,795	151,122
OPERATING SURPLUS	-	3,509	(3,902)
OPENING ACCUMULATED SURPLUS	55,097	55,097	58,999
CLOSING ACCUMULATED SURPLUS	$ 55,097	$ 58,606	$ 55,097

AKLAVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Administration	Aboriginal Languages	2017
SALARIES:				
Non-instructional Staff	$ 46,513	$ 22,031	$ 8,256	$ 76,800
Board/Trustee Honoraria	-	4,850	-	4,850
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	2,212	1,069	405	3,686
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	1,050	-	1,050
Rentals/Leases	-	-	7,350	7,350
Others	1,700	4,062	-	5,762
Contracted Services	-	-	8,737	8,737
MATERIALS/SUPPLIES/FREIGHT				
Materials	13,117	3,554	8,758	25,429
Freight	131	-	-	131
Total	$ 63,673	$ 36,616	$ 33,506	$ 133,795

Schedule 5

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 37,867	$ 47,560
Due from Related Parties	4,812	4,897
Accounts Receivable	19,609	1,760
	62,288	54,217
LIABILITIES		
Accounts Payable and Accrued Liabilities	26,364	20,441
Due to Related Parties	5,400	1,220
Payroll Liabilities	1,382	1,714
Deferred Revenue	7,807	7,537
	40,953	30,912
ACCUMULATED SURPLUS	$ 21,335	$ 23,305

Schedule 6

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 63,306	$ 93,313	$ 132,713
Other ECE contributions	53,300	57,599	53,814
Other contributions	-	8,000	1,900
Other	96,000	96,385	114,434
TOTAL REVENUE	212,606	255,297	302,861
EXPENSES			
Administration	39,325	57,065	57,237
School Programs	53,950	63,073	90,218
Inclusive Schooling	-	30,120	27,783
Aboriginal Languages/Cultural Programs	119,331	107,009	123,883
TOTAL EXPENSES	212,606	257,267	299,121
OPERATING DEFICIT	-	(1,970)	3,740
OPENING ACCUMULATED SURPLUS	23,305	23,305	19,565
CLOSING ACCUMULATED SURPLUS	$ 23,305	$ 21,335	$ 23,305

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Administration	Aboriginal Languages	2017
SALARIES:					
Instruction Assistants	$ 40,097	$ -	$ -	$ -	$ 40,097
Non-instructional Staff	-	6,435	28,261	59,139	93,835
Board/Trustee Honoraria	-	-	4,855	16,046	20,901
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	2,128	473	1,580	3,783	7,964
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	325	-	325
Postage/Communication	-	1,004	875	-	1,879
Travel	-	-	-	2,760	2,760
Rentals/Leases	-	14,640	-	700	15,340
Others	-	7,120	2,594	485	10,199
MATERIALS/SUPPLIES/FREIGHT					
Materials	19,843	448	18,575	24,096	62,962
Freight	1,005	-	-	-	1,005
Total	$ 63,073	$ 30,120	$ 57,065	$ 107,009	$ 257,267

Schedule 8

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 263,446	$ 179,369
Due from Related Parties	18,632	18,712
Accounts Receivable	4,722	24,194
	286,800	222,275
LIABILITIES		
Accounts Payable and Accrued Liabilities	39,635	5,281
Payroll Liabilities	11,288	10,625
Deferred Revenue	37,373	19,396
	88,296	35,302
ACCUMULATED SURPLUS	$ 198,504	$ 186,973

Schedule 9

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 230,675	$ 238,775	$ 248,888
Other contributions	-	5,159	-
Other	112,201	79,119	76,759
TOTAL REVENUE	342,876	323,053	325,647
EXPENSES			
Administration	97,667	123,426	102,838
School Programs	76,119	60,169	57,368
Aboriginal Languages/Cultural Programs	169,090	127,927	110,337
TOTAL EXPENSES	342,876	311,522	270,543
OPERATING SURPLUS	-	11,531	55,104
OPENING ACCUMULATED SURPLUS	186,973	186,973	131,869
CLOSING ACCUMULATED SURPLUS	$ 186,973	$ 198,504	$ 186,973

INUVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Administration	Aboriginal Languages	2017
SALARIES:				
Instruction Assistants	$ -	$ -	$ 34,455	$ 34,455
Non-instructional Staff	10,519	67,145	43,248	120,912
Board/Trustee Honoraria	-	9,300	3,625	12,925
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	729	4,481	5,211	10,421
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	4,287	-	4,287
Utilities & Leases	1,014	-	-	1,014
Travel	-	660	-	660
Advertising/Printing/Publishing	-	-	1,164	1,164
Rentals/Leases	20,400	-	-	20,400
Others	12,188	5,120	6,958	24,266
Contracted Services	7,139	594	15,000	22,733
MATERIALS/SUPPLIES/FREIGHT				
Materials	8,180	10,041	-	18,221
Furniture and Equipment	-	21,798	18,266	40,064
Total	$ 60,169	$ 123,426	$ 127,927	$ 311,522

Schedule 11

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 402	$ 873
Due from Related Parties	3,476	2,745
Accounts Receivable	2,328	-
	6,206	3,618
LIABILITIES		
Accounts Payable and Accrued Liabilities	2,000	4,000
Due to Related Parties	2,510	1,283
Payroll Liabilities	1,472	907
Deferred Revenue	-	3,019
	5,982	9,209
NET FINANCIAL RESOURCES (DEBT)	224	(5,591)
NON-FINANCIAL ASSETS		
Prepaid Expenses	1,220	-
ACCUMULATED SURPLUS (DEFICIT)	$ 1,444	$ (5,591)

Schedule 12

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 44,158	$ 42,931	$ 37,321
Other	14,500	16,607	18,066
TOTAL REVENUE	58,658	59,538	55,387
EXPENSES			
Administration	22,001	27,663	25,488
School Programs	17,330	17,786	26,090
Aboriginal Languages/Cultural Programs	19,327	7,054	9,633
TOTAL EXPENSES	58,658	52,503	61,211
OPERATING SURPLUS	-	7,035	(5,824)
OPENING ACCUMULATED DEFICIT	(5,591)	(5,591)	233
CLOSING ACCUMULATED SURPLUS (DEFICIT)	$ (5,591)	$ 1,444	$ (5,591)

PAULATUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Administration	Aboriginal Languages	2017
SALARIES:				
Non-instructional Staff	$ 10,990	$ 15,528	$ 3,900	$ 30,418
Board/Trustee Honoraria	-	7,198	-	7,198
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	489	651	489	1,629
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	1,367	-	1,367
Others	-	1,504	-	1,504
Contracted Services	6,000	793	-	6,793
MATERIALS/SUPPLIES/FREIGHT				
Materials	307	622	2,665	3,594
Total	$ 17,786	$ 27,663	$ 7,054	$ 52,503

Schedule 14

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 58,832	$ 17,464
Due from Related Parties	-	54,421
Accounts Receivable	280	-
	59,112	71,885
LIABILITIES		
Accounts Payable and Accrued Liabilities	-	17,303
Due to Related Parties	8,235	5,660
Payroll Liabilities	490	71
Deferred Revenue	2,749	1,500
	11,474	24,534
ACCUMULATED SURPLUS	$ 47,638	$ 47,351

Schedule 15

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 26,868	$ 27,298	$ 21,208
Other	-	9,751	5,009
TOTAL REVENUE	26,868	37,049	26,217
EXPENSES			
Administration	4,025	12,789	11,357
School Programs	13,893	23,251	18,728
Aboriginal Languages/Cultural Programs	8,950	722	3,003
TOTAL EXPENSES	26,868	36,762	33,088
OPERATING SURPLUS	-	287	(6,871)
OPENING ACCUMULATED SURPLUS	47,351	47,351	54,222
CLOSING ACCUMULATED SURPLUS	$ 47,351	$ 47,638	$ 47,351

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Administration	Aboriginal Languages	2017
SALARIES:				
Teachers	$ 6,968	$ -	$ -	$ 6,968
Non-instructional Staff	-	7,880	-	7,880
Board/Trustee Honoraria	-	1,900	250	2,150
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	504	591	-	1,095
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	125	-	125
Travel	-	200	300	500
Others	-	74	-	74
Contracted Services	12,000	700	-	12,700
MATERIALS/SUPPLIES/FREIGHT				
Materials	3,749	1,319	172	5,240
Freight	30	-	-	30
Total	$ 23,251	$ 12,789	$ 722	$ 36,762

Schedule 17

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 86,272	$ 55,416
Due from Related Parties	13,374	50,383
Accounts Receivable	1,350	900
	100,996	106,699
LIABILITIES		
Accounts Payable and Accrued Liabilities	-	9,506
Due to Related Parties	7,064	-
Payroll Liabilities	32	157
	7,096	9,663
ACCUMULATED SURPLUS	$ 93,900	$ 97,036

Schedule 18

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 24,354	$ 15,765	$ 24,354
Rentals	2,700	4,050	2,300
TOTAL REVENUE	27,054	19,815	26,654
EXPENSES			
Administration	4,970	12,502	12,663
School Programs	9,794	5,805	32,453
Aboriginal Languages/Cultural Programs	12,290	4,644	10,582
TOTAL EXPENSES	27,054	22,951	55,698
OPERATING DEFICIT	-	(3,136)	(29,044)
OPENING ACCUMULATED SURPLUS	97,036	97,036	126,080
CLOSING ACCUMULATED SURPLUS	$ 97,036	$ 93,900	$ 97,036

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Administration	Aboriginal Languages	2017
SALARIES:				
Instruction Assistants	$ -	$ -	$ 1,006	$ 1,006
Board/Trustee Honoraria	-	250	-	250
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	-	-	47	47
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Rentals/Leases	2,751	-	-	2,751
Others	-	261	850	1,111
Contracted Services	1,400	-	1,400	2,800
MATERIALS/SUPPLIES/FREIGHT				
Materials	1,654	1,201	1,341	4,196
Furniture and Equipment	-	10,790	-	10,790
Total	$ 5,805	$ 12,502	$ 4,644	$ 22,951

Schedule 20

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 58,110	$ 16,946
Due from Related Parties	7,201	2,792
Accounts Receivable	913	5,252
	66,224	24,990
LIABILITIES		
Accounts Payable and Accrued Liabilities	26,785	13,534
Due to Related Parties	14,110	6,284
Payroll Liabilities	4,057	1,103
Deferred Revenue	11,029	18,074
	55,981	38,995
ACCUMULATED SURPLUS (DEFICIT)	$ 10,243	$ (14,005)

Schedule 21

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 131,576	$ 149,772	$ 75,057
Government of Canada	29,000	27,648	19,966
Other	51,000	44,310	62,743
TOTAL REVENUE	211,576	221,730	157,766
EXPENSES			
Administration	41,650	46,127	64,347
School Programs	117,399	113,934	59,985
Inclusive Schooling	-	21,016	13,820
Aboriginal Languages/Cultural Programs	52,527	16,405	26,656
TOTAL EXPENSES	211,576	197,482	164,808
OPERATING SURPLUS	-	24,248	(7,042)
OPENING ACCUMULATED DEFICIT	(14,005)	(14,005)	(6,963)
CLOSING ACCUMULATED SURPLUS (DEFICIT)	$ (14,005)	$ 10,243	$ (14,005)

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Administration	Aboriginal Languages	2017
SALARIES:					
Non-instructional Staff	$ 24,499	$ -	$ 17,242	$ -	$ 41,741
Board/Trustee Honoraria	-	-	4,190	7,926	12,116
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	7,223	-	6,015	-	13,238
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Travel	-	-	316	42	358
Student Travel	1,628	-	-	-	1,628
Rentals/Leases	-	-	6,750	-	6,750
Others	2,000	-	4,171	-	6,171
Contracted Services	58,255	21,016	914	4,700	84,885
MATERIALS/SUPPLIES/FREIGHT					
Materials	20,225	-	5,579	3,699	29,503
Freight	104	-	950	38	1,092
Total	$ 113,934	$ 21,016	$ 46,127	$ 16,405	$ 197,482

Schedule 23

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 54,758	$ 52,634
Due from Related Parties	-	7,945
Accounts Receivable	689	321
	55,447	60,900
LIABILITIES		
Accounts Payable and Accrued Liabilities	250	250
Due to Related Parties	4,080	-
Payroll Liabilities	925	757
Deferred Revenue	27,181	25,586
	32,436	26,593
ACCUMULATED SURPLUS	$ 23,011	$ 34,307

Schedule 24

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Contributions from Divisional Council	$ 69,054	$ 69,044	$ 73,407
Other ECE contributions	56,300	52,913	42,083
Other contributions	-	-	387
Rentals	-	2,422	1,529
Other	31,285	24,516	28,410
TOTAL REVENUE	156,639	148,895	145,816
EXPENSES			
Administration	32,207	39,204	32,219
School Programs	79,749	80,966	63,249
Inclusive Schooling	14,950	14,950	20,415
Aboriginal Languages/Cultural Programs	29,733	25,071	24,445
TOTAL EXPENSES	156,639	160,191	140,328
OPERATING DEFICIT	-	(11,296)	5,488
OPENING ACCUMULATED SURPLUS	34,307	34,307	28,819
CLOSING ACCUMULATED SURPLUS	$ 34,307	$ 23,011	$ 34,307

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Administration	Aboriginal Languages	2017
SALARIES:					
Non-instructional Staff	$ 49,861	$ 4,500	$ 13,060	$ 21,528	$ 88,949
Board/Trustee Honoraria	2,198	-	10,250	1,675	14,123
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	-	-	4,767	-	4,767
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Student Travel	4,796	-	3,938	-	8,734
Rentals/Leases	-	4,200	-	-	4,200
Others	9,016	-	3,137	-	12,153
MATERIALS/SUPPLIES/FREIGHT					
Materials	14,170	6,250	4,052	1,868	26,340
Freight	925	-	-	-	925
Total	$ 80,966	$ 14,950	$ 39,204	$ 25,071	$ 160,191

Schedule 26

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 9,630,461	$ 8,563,232
Accounts Receivable	262,768	228,537
Restricted Assets	258,884	256,459
	10,152,113	9,048,228
LIABILITIES		
Accounts Payable and Accrued Liabilities	542,951	717,456
Due to Related Parties	10,623	96,876
Payroll Liabilities	2,681,459	2,667,766
Contribution Repayable	-	36,547
Employee Deductions Payable	716	1,537
Deferred Revenue	102,479	230,595
Post-Employment Benefits	3,422,599	2,207,324
Trust Liabilities	258,884	256,459
	7,019,711	6,214,560
NET FINANCIAL RESOURCES	3,132,402	2,833,668
NON-FINANCIAL ASSETS		
Prepaid Expenses	19,643	9,241
ACCUMULATED SURPLUS	$ 3,152,045	$ 2,842,909

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (Unaudited)	2017 Actual	2016 Actual
REVENUE			
Government of the NWT			
Regular contributions	$ 27,911,000	$ 28,645,178	$ 27,395,293
Other ECE contributions	90,000	735,085	1,209,651
Other contributions	75,000	438,702	492,454
Total Government of the NWT	28,076,000	29,818,965	29,097,398
Government of Canada	-	6,361	1,000
Board Generated Funds			
Investment Income	52,000	72,560	67,718
Other	469,960	501,951	549,836
Total Board Generated Funds	521,960	574,511	617,554
TOTAL REVENUE	28,597,960	30,399,837	29,715,952
EXPENSES			
Administration	2,486,668	2,912,251	2,356,594
School Programs	18,960,278	17,018,669	18,096,919
Inclusive Schooling	4,672,000	4,858,271	5,274,420
Student Accommodations	-	133,477	105,792
Operations & Maintenance	-	2,197,877	476,384
Aboriginal Languages/Cultural Programs	2,462,000	2,970,156	2,315,977
TOTAL EXPENSES	28,580,946	30,090,701	28,626,086
OPERATING SURPLUS	17,014	309,136	1,089,866
OPENING ACCUMULATED SURPLUS	2,842,909	2,842,909	1,753,043
CLOSING ACCUMULATED SURPLUS	$ 2,859,923	$ 3,152,045	$ 2,842,909

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
DETAILS OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accommodations	Operations & Maintenance	Administration	Aboriginal Languages	2017
SALARIES:							
Teachers	$ 9,596,928	$ 974,274	$ -	$ -	$ -	$ 1,177,163	$ 11,748,365
Instruction Assistants	23,635	-	-	-	-	-	23,635
Non-instructional Staff	1,822,761	2,093,317	-	-	1,316,543	372,285	5,604,906
Board/Trustee Honoraria	16,338	-	-	-	25,193	21,200	62,731
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	3,869,731	1,201,926	-	141,789	379,570	571,035	6,164,051
Leave and Termination	55,739	-	-	-	-	-	55,739
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	82,591	-	-	50,903	-	133,494
Postage/Communication	96,026	-	3,060	-	33,210	-	132,296
Travel	136,492	81,213	510	-	131,115	71,955	421,285
Student Travel	54,744	5,641	129,907	-	-	21,009	211,301
Advertising/Printing/Publishing	-	-	-	-	8,000	-	8,000
Maintenance/Repair	58,878	-	-	-	57,234	5,981	122,093
Rentals/Leases	110,057	-	-	156,769	35,638	10,800	313,264
Others	30,469	-	-	1,899,319	35,875	9,245	1,974,908
Contracted Services	69,488	76,996	-	-	(1,879)	129,332	273,937
MATERIALS/SUPPLIES/FREIGHT							
Materials	726,343	70,202	-	-	69,019	250,767	1,116,331
Furniture and Equipment	149,312	183,218	-	-	573,601	21,566	927,697
Freight	53,785	14,689	-	-	15,567	15,965	100,006
CONTRIBUTIONS/TRANSFERS							
Transfers - Other	147,943	74,204	-	-	182,662	291,853	696,662
Total	$ 17,018,669	$ 4,858,271	$ 133,477	$ 2,197,877	$ 2,912,251	$ 2,970,156	$ 30,090,701

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 29

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
FRENCH LANGUAGE PROGRAM
For the Year Ended June 30, 2017

	ECE Contributions July 1 to June 30	Commitment from Beaufort Delta Education Council	Total Expenses July 1 to June 30
Bilateral Agreement Funding			
Special Projects:			
Teacher's Assistant Salary	$ 60,000	$ 8,066	$ 68,066
Core French 1:12 Salary	-	23,635	23,635
French Resources	5,000	2,978	7,978
Cultural Activities	5,000	(4,800)	200
Professional Development	5,000	(5,000)	-
French Monitor	15,000	(15,000)	-
Mentorship with YCS on Immersion Program	-	30,000	30,000
Total	$ 90,000	$ 39,879	$ 129,879
Regular GNWT Funding			
Immersion Program	$ 90,000		
Core French Instruction	48,710		
Total	$ 138,710		

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 30

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
ABORIGINAL LANGUAGES
For the Year Ended June 30, 2017

	July 1 to March 31	April 1 to June 30	Total
Contribution Agreement			
Aboriginal Languages			
Revenue			
Funding Received	-	78.000	78.000
Expenses			
Other O & M	-	116.752	116.752
Total Expenses	-	116.752	116.752
Net Surplus (Deficit)			(38.752)

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 31

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
STUDENT SUCCESS INITIATIVE
For the Year Ended June 30, 2017

NWT Student Success Initiative
Professional Development Initiative
Title of Project: Ongoing Development of Collaborative Teams and Response to Intervention

	2017
Revenue	130,274
Expenses:	
Travel	
Air Charter	60,478
Accommodation	19,586
Daily Per Diems	8,064
Workshop Expenses	
Room Rental	689
Miscellaneous	27,865
Total Expenses	116,682
Net Surplus (Deficit)	13,592

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 32

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
DETAILS OF ABORIGINAL LANGUAGE AND CULTURAL-BASED EDUCATION EXPENSES
For the Year Ended June 30, 2017

FUNCTION	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
SALARIES					
ALCBE Teachers	$ 1,177,163	$ -	$ -	$ -	$ 1,177,163
Language Consultants	372,285	-	-	-	372,285
Instruction Assistants	35,461	-	-	-	35,461
Non Instructional Staff	-	-	-	136,071	136,071
Honoraria	-	-	-	50,722	50,722
EMPLOYEE BENEFITS					
Employee Benefits/Allowances	571,035	-	-	9,935	580,970
SERVICES PURCHASED/ CONTRACTED					
Travel	21,985	-	46,959	6,113	75,057
Student Transportation (bussing)	-	-	-	21,009	21,009
Advertising/Printing/Publishing	-	-	-	1,164	1,164
Maintenance/Repair	-	-	-	5,981	5,981
Rentals/Leases	-	-	-	18,850	18,850
Other Contracted Services	-	125,682	7,295	26,192	159,169
Others	-	-	-	17,538	17,538
MATERIAL/SUPPLIES/FREIGHT					
Materials	-	233,070	1,436	58,860	293,366
Furniture and Equipment	-	-	-	39,832	39,832
Freight	-	104	-	15,899	16,003
TOTAL	$ 2,177,929	$ 358,856	$ 55,690	$ 408,166	$ 3,000,641

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 33

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
DETAILS OF INCLUSIVE SCHOOLING EXPENSES
For the Year Ended June 30, 2017

FUNCTION	Staff Development	Assistive Technology	Student Resources	General Inclusive Schooling	Total
SALARIES					
Program Support Teachers	$ -	$ -	$ -	$ 974,274	$ 974,274
Consultants	-	-	-	133,123	133,123
Support Assistants	-	-	-	1,510,595	1,510,595
Non Instructional Staff	-	57,161	-	403,373	460,534
EMPLOYEE BENEFITS					
Employee Benefits/Allowances	-	-	-	1,202,399	1,202,399
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	82,591	82,591
Travel	-	-	-	1,004	1,004
Travel	31,796	-	-	49,417	81,213
Student Transportation (bussing)	-	-	-	5,641	5,641
Rentals/Leases	-	-	-	18,840	18,840
Other Contracted Services	16,821	-	-	81,191	98,012
Others	205	-	-	6,915	7,120
MATERIAL/SUPPLIES/FREIGHT					
Materials	-	-	63,334	13,566	76,900
Furniture and Equipment	-	-	-	183,218	183,218
Freight	-	-	-	14,689	14,689
TOTAL	$ 48,822	$ 57,161	$ 63,334	$ 4,680,836	$ 4,850,153

Commission scolaire francophone
Territoires du Nord-Ouest

Consolidated Financial Statements

June 30, 2017

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Financial Statements

June 30, 2017 **Page**

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Commission scolaire francophone
Territoires du Nord-Ouest

Rapport de gestion

L'objectif du rapport de gestion consiste à expliquer, du point de vue du bureau central, la situation financière et les perspectives d'avenir de la Commission scolaire francophone TNO. Le rapport de gestion est la responsabilité de la direction générale et du Conseil des commissaires de la Commission scolaire francophone TNO et sert à promouvoir la transparence et la reddition de compte.

Les objectifs de la gestion financière de la Commission scolaire francophone TNO se résument en deux objectifs :

1) Fournir les meilleurs programmes d'éducation possible selon les ressources financières allouées.

2) Gérer les ressources financières avec compétence et être redevable pour ces ressources financières devant le ministère de l'Éducation, de la Culture et de la Formation des Territoires du Nord-Ouest et le gouvernement du Canada.

La vision de la Commission scolaire francophone TNO est de permettre à l'élève de développer ses compétences et de cultiver ses talents, selon ses besoins spécifiques, dans une perspective de développement global de sa personne et de son identité francophone.

Selon la *Loi sur l'Éducation des Territoires du Nord-Ouest*, la Commission scolaire francophone compte six sièges de commissaires élus, trois à Yellowknife et trois à Hay River.

Ce sont les commissaires qui supervisent la gestion de la Commission scolaire et des écoles. En fait, ils constituent le lien entre les élèves, les parents, les écoles et les deux paliers de gouvernement.

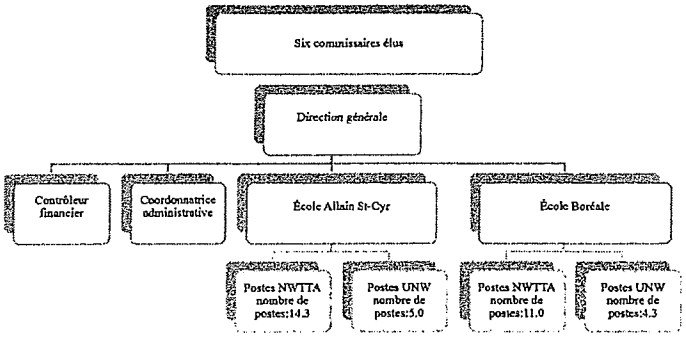
Les commissaires pour 2016-17 étaient :

Nom	Titre
Simon Cloutier	Présidente
Natalie Campbell	Vice-présidente
Christian Marcoux	Trésorier
David Couture	Commissaire
Étienne Croteau	Commissaire
Michael St-Amour	Commissaire

La Commission scolaire francophone TNO gouverne deux écoles publiques en français langue première de la maternelle à la 12e année: l'école Allain St-Cyr à Yellowknife et l'école Boréale à Hay River. En 2016-17, la CSFTNO avait trois employés au bureau central et trente-deux employés dans les écoles pour un total de trente-cinq employés.

L'organigramme de la Commission scolaire francophone pour l'année scolaire 2016-17:

COMMISSION SCOLAIRE FRANCOPHONE DES TNO



Au 30 septembre 2016, 117.5 élèves fréquentaient l'école Allain St-Cyr et 81.5, l'école Boréale.

La Commission scolaire a adopté son Plan stratégique 2015-2020 le 17 décembre 2015. Le plan comprend 5 priorités :

- La réussite et le bien-être de chaque élève;
- Espace francophone et communautaire;
- Engagement des parents et des familles;
- L'école francophone, le premier choix des parents; et
- Gestion et gouvernance efficaces.

Priorité : La réussite et le bien-être de chaque élève

- Développer les compétences à l'ère numérique chez nos élèves de la maternelle à la 12e année;
- Appuyer nos élèves à partir d'une compréhension commune de « la réussite » et du « bien-être »;
- Améliorer la diversité et la qualité des programmes et des services offerts dans nos écoles;
- Entretenir un climat sain, inclusif et sécuritaire dans nos écoles;
- Assurer l'utilisation efficace et judicieuse des technologies informatiques et de communication pour améliorer l'expérience d'apprentissage;
- Maintenir un personnel engagé et compétent;
- Assurer le développement professionnel continu et l'échange de pratiques qui favorisent la réussite et le bien-être des élèves; et
- Favoriser le développement de l'autonomie chez les élèves tout au long de leur parcours scolaire.

Priorité : Espace francophone et communautaire

- Favoriser le développement de la construction identitaire chez nos élèves;
- Renforcer les partenariats avec la communauté pour appuyer l'apprentissage de chaque élève; et
- Promouvoir la valeur ajoutée de l'éducation en français langue première et de la dualité linguistique canadienne.

Priorité : Engagement des parents et des familles

- Impliquer nos parents comme partenaires dans l'apprentissage et l'épanouissement de leur enfant;
- Aider nos parents afin qu'ils puissent accompagner leur enfant; et
- Assurer une communication ouverte et soutenue avec les parents.

Priorité : L'école francophone, le premier choix des parents

- Assurer la pérennité et la vitalité de nos écoles; et
- Favoriser la rétention et le recrutement des élèves.

Priorité : Gestion et gouvernances efficaces

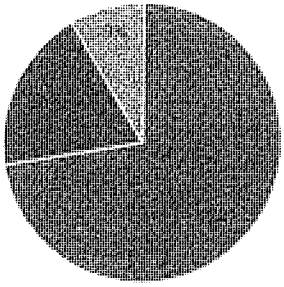
- Mettre à jour les politiques de gouvernance de la CSFTNO;
- Renforcer les capacités de leadership au sein de la CSFTNO; et
- Améliorer la communication et la diffusion d'information auprès des parents et des membres de la communauté.

Revenus

La source principale de revenu provient du Gouvernement des Territoires du Nord-Ouest. Cette source de revenu est majoritairement divisée entre 2 catégories :

- Les contributions régulières calculées par le Cadre de financement scolaire des Territoires du Nord-Ouest; et
- La contribution provenant de l'entente *Enseignement en français langue de la minorité* de Patrimoine canadien.

Sources de revenu CSFTNO 2016-17



En 2016-2017, la Commission scolaire francophone TNO a enregistré des revenus d'une somme de 6.08 M$ comparativement à un montant budgété de 6.03 M$. Cette variance de 50 K$ s'explique principalement par 4 facteurs :

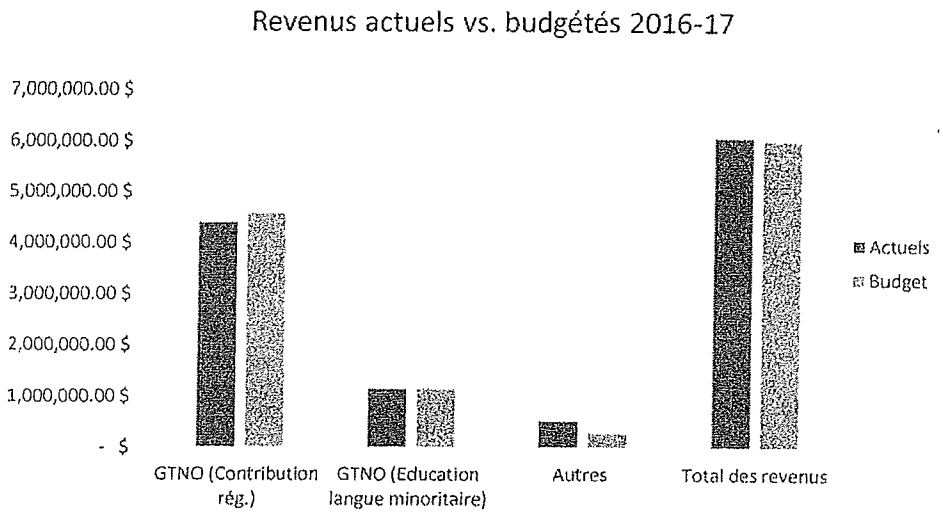
- Des revenus surestimés par la CSFTNO de (106 K$) dans les contributions régulières du GTNO.

- Les contributions additionnelles de 90 K$ reçues par le Gouvernement des Territoires du Nord-Ouest pendant l'année scolaire 2016-17 pas inclus dans le budget approuvé.

- Une somme de 52 K$ non budgétée reçu en raison des montants résiduels du *Programme de contestation judiciaire.*

- La somme de 17 K$ non budgétée reçu pour le programme de développement professionnel du NWTTA.

Voici un tableau illustrant les revenus actuels comparativement aux revenus budgétés :



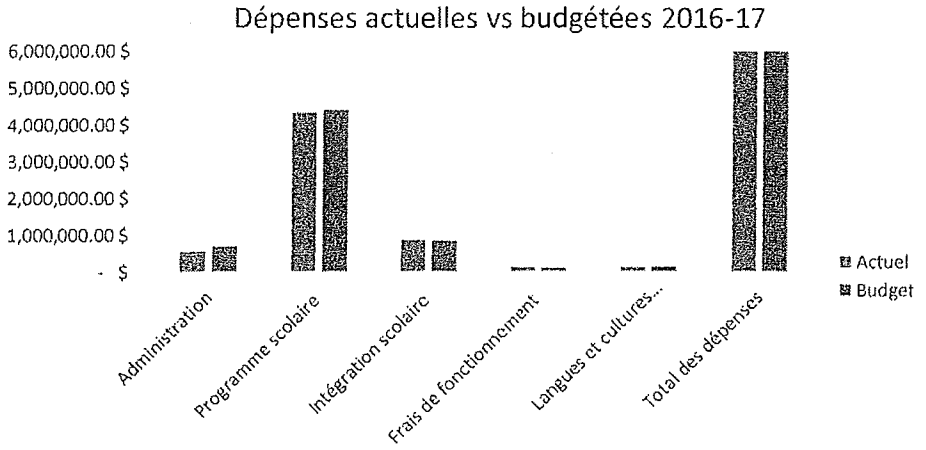
Dépenses

Le total des dépenses de la Commission scolaire francophone TNO au 30 juin 2017 se chiffrait à 6.04 M$ comparativement à un budget approuvé de 6.20 M$.

Cette variance de 160 K$ s'explique majoritairement par les revenus surestimés de 106 K$. Ayant déjà un budget déficitaire de (176 K$), lorsque la CSFTNO a réalisé que les revenus étaient surestimé de 106 K$, plusieurs changements au budget ont été implanté afin de limiter l'impact sur le surplus, notamment :

- Réductions dans le programme d'administration
  - Frais de voyage réduit de 7 K$.
  - Frais de marketing réduit de 5 K$
  - Frais administratif réduit de 8 K$
  - Frais de matériaux réduit de 10 K$
  - Les initiatives découlant du Plan stratégique ont été remises à 2017-18. (Économie de 80 K$)
  - Frais légaux 10 K$ plus bas que budgété
- Réduction dans le programme scolaire
  - Frais de matériaux 52 K$ plus bas que budgété
  - Frais de développement professionnel de 5 K$ plus bas que budgété
  - Bourses de rétention plus bas que prévu de 10 K$

Voici un tableau illustrant les dépenses actuelles comparativement aux dépenses budgétées par programme :



Programmes

- Administration

  La section administration comprend les dépenses pour les salaires et bénéfices des employés au bureau central, les honoraires du Conseil d'administration et les dépenses administratives de la Commission scolaire francophone TNO.

- Programme scolaire

  Cette section inclue les dépenses opérationnelles des écoles telles que les salaires et bénéfices des enseignants, aide-enseignants, consultants, secrétaires et concierges. Le programme scolaire comprend également les frais de développement professionnel, le transport par autobus, les matériaux scolaires et les fournitures scolaires dans les écoles.

- Intégration scolaire

  Les dépenses pour l'intégration scolaire permettent aux écoles d'inclure tous les élèves et d'assurer leur participation dans les classes régulières. Cette section inclue les salaires et bénéfices des enseignants, les adjoint(e)s au programme de soutien, le développement professionnel, les matériaux et fournitures de classe associés au programme d'intégration scolaire.

- Frais de fonctionnement

  Les frais de fonctionnement consistent des dépenses d'opération et de maintenance des écoles non couverts par le Gouvernement des Territoires du Nord-Ouest.

- Langue et cultures autochtones

  Ce programme comprend les salaires et bénéfices des enseignants, ainsi que les matériaux et les fournitures reliés au programme de Langue et culture autochtones.

Modification de méthode comptable

En 2016-17, la CSFTNO a appliqué les changements relatifs à la norme SP 3255, *Avantages postérieurs à l'emploi, congés rémunérés et prestations de cessation d'emploi*. L'objectif comptable est de mesurer l'obligation au titre des avantages sociaux futurs en vue de communiquer cette information et d'attribuer le coût des avantages aux exercices pertinents.

La note 17 aux états financiers illustre les détails provenant de la norme SP 3255. Le passif initial non comptabilisé se voit comme une modification de méthode comptable appliquée rétroactivement. L'ajustement rétroactif réduit le surplus accumulé en fin d'année 2015-16 de 457 267$. Avec ce changement, le surplus accumulé au 30 juin 2016 se chiffre à 119 564$ comparativement à 576 831$.

Sommaire

En 2016-17, la Commission scolaire francophone TNO a approuvé un déficit de (176 501$) en raison des dépenses liées à la réalisation du Plan stratégique 2015-2020 et à l'implantation des programmes préscolaires 4 ans à temps plein dans nos deux écoles.

La Commission scolaire francophone TNO a terminé l'année fiscale avec un surplus annuel de 67 646$. Par conséquent, le surplus accumulé a augmenté à 187 210$ comparativement à 119 564$ au 30 juin 2016. Ce surplus annuel s'explique majoritairement par des revenus excédentaires non budgétés d'environ 50 K$, le recouvrement des *Avantages postérieurs à l'emploi, congés rémunérés et prestations de cessation d'emploi* de 25 K$ et des réductions des dépenses budgétés au bureau central et dans les écoles.

Finalement, les fonds budgétés pour l'année fiscale 2017-2018 s'enlignent avec le Plan stratégique 2015-2020 dans le but de continuer à offrir un excellent programme d'éducation en français langue première dans nos deux écoles.

Nous souhaitons une bonne rentrée scolaire à tous les élèves et employés de la Commission scolaire francophone TNO.

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2017

The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Commission scolaire francophone Territoire du Nord-Ouest ("the Commission") in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Commission have been conducted within the statutory powers of the Education Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the *Education Act*, *Financial Administration Act*, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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 (ECE) of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Commission

Yvonne Careen **Directrice générale**

Yvonne Careen

Eric Frenette **Contrôleur financier**

Eric Frenette, CPA, CGA

September 18, 2017

Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report

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

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Commission Scolaire Francophone Territoires du Nord-Ouest ("the Commission") which comprise the consolidated statement of financial position as at June 30, 2017 and the consolidated statements of operations, changes in net financial asset, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of consolidated 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 consolidated 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 whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the consolidated 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 Commission'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 consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Basis for Qualified Opinion
Salaries and benefits paid to management and employees of the Commission are administered by the Government of the Northwest Territories and are audited as part of the Government of the Northwest Territories. Our audit scope was limited as we did not audit the components of salaries and benefits expenditures. Accordingly, we were not able to determine whether any adjustments might be necessary to salaries and benefits expenditures, employee deductions payable, vacation payable, salaries and wages payable, employee leave and termination benefits and accumulated surplus (deficit).

Qualified Opinion
In our opinion, except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Commission as at June 30, 2017 and the results of its operations, change in net debt 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*, in our opinion, proper books of account have been kept by the Commission, the consolidated financial statements are in agreement therewith, and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of the Commission.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 18, 2017

Chartered Professional Accountants

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Financial Position

As at June 30,	**2017**	2016 (Restated - Note 32)
Financial Assets		
Cash (Note 4)	$ 1,686,375	$ 1,149,689
Accounts receivable (Note 8)	206,554	329,992
	1,892,929	1,479,681
Liabilities		
Accounts payable and accrued liabilities (Note 10)	634,389	151,477
Deferred revenue (Note 11)	12,300	-
Post-employment benefits (Note 17)	610,525	648,814
Payroll liabilities (Note 34)	456,511	576,672
	1,713,725	1,376,963
Net financial assets	**179,204**	102,718
Non-financial assets		
Prepaid expenses and deposits (Note 20)	**8,006**	16,846
Accumulated surplus	**$ 187,210**	$ 119,564
Represented By:		
Operating surplus	**$ 187,210**	$ 119,564

Contractual obligations and contingencies (Note 24 and 25)

Approved on behalf of the Board:

Trustee **Trustee**

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Operations

For the year ended June 30,	2017 Budget	2017 Actual	2016 Actual (Restated - Note 32)
Revenue			
Government of the NWT Education, Culture, & Employment			
ECE Regular contributions	$ 4,582,460	$ 4,514,588	$ 4,446,189
French language instruction	1,152,850	1,152,850	1,152,850
ECE Other contributions (Note 33)	-	96,901	59,245
Total GNWT ECE	5,735,310	5,764,339	5,658,284
GNWT Other contributions (Note 34)	50,000	44,234	23,027
Total GNWT	5,785,310	5,808,573	5,681,311
Government of Canada			
Other contributions	45,500	46,578	47,553
Education body generated funds			
Northwest Territories Teachers' Association Contributions	-	17,830	9,039
Interest	10,000	12,773	19,298
School fees	185,000	156,165	12,492
Other revenue	-	39,181	23,732
	195,000	225,949	64,561
	6,025,810	**6,081,100**	5,793,425
Expenses (Schedule 1)			
Administration	699,353	562,628	598,859
School programs	4,402,623	4,327,553	4,083,653
Inclusive schooling	840,098	865,611	855,388
Operations and maintenance	106,300	138,959	98,943
Aboriginal languages	153,937	143,784	145,258
	6,202,311	**6,038,535**	5,782,101
Operating surplus (deficit) before other items	**(176,501)**	**42,565**	11,324
Other items			
Post-employment benefit (recovery) expense (Note 17)	-	**(25,081)**	**140,759**
Grant in-kind - Assets provided at no cost (Note 23)	-	**164,160**	**164,160**
Rent expense - Assets provided at no cost (Note 23)	-	**(164,160)**	**(164,160)**
Adjusted operating surplus (deficit)	**(176,501)**	**67,646**	(129,435)
Opening accumulated surplus, as previously stated	**577,564**	**576,831**	577,564
Restatement for change in accounting policy (Note 32)	-	**(457,267)**	(328,565)
Opening accumulated surplus, as restated	**577,564**	**119,564**	248,999
Closing accumulated surplus	**$ 401,063**	**$ 187,210**	$ 119,564

See accompanying notes and schedules

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,		**2017**		2016 (Restated - Note 32)
Adjusted operating surplus (deficit)	**$**	**67,646**	$	(129,435)
Use (acquisition) of prepaid expenses and deposits		8,840		(1,663)
Increase in net financial assets		**76,486**		(131,098)
Net financial assets, beginning of year		**102,718**		233,816
Net financial assets, end of year	**$**	**179,204**	$	102,718

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Cash Flows

For the year ended June 30,	**2017**	2016 (Restated - Note 32)
Cash provided by (used in):		
Operating transactions		
Operating surplus (deficit)	$ 67,646	$ (129,435)
Changes in non-cash assets and liabilities		
Increase (decrease) in accounts receivable	123,438	(114,417)
Increase (decrease) in accounts payable	482,912	(21,587)
Increase (decrease) in payroll liabilities	(120,161)	(89,902)
Increase (decrease) in contributions repayable	-	(17,410)
Increase (decrease) in deferred revenue	12,300	(45,000)
Increase (decrease) in post-employment benefits	(38,289)	151,964
Increase (decrease) in prepaid expenses and deposits	8,840	(1,664)
Increase (decrease) in cash and cash equivalents	**536,686**	(267,451)
Cash at beginning of year	**1,149,689**	1,417,140
Cash at end of year	**$ 1,686,375**	$ 1,149,689

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 1
Consolidated Details of Expenses

For the year ended June 30,

	School Programs	Inclusive Schooling (schedule 3)	Operations & Maintenance	Administration	Aboriginal Languages (schedule 2)	**Total 2017**	Budget 2017	Total 2016
Salaries								
Teacher salaries	$ 2,980,280	$ 457,295	$ -	$ -	$ 63,918	**$ 3,501,493**	$ 3,467,257	$ 3,381,396
Instruction assistants	372,705	209,634	-	-	-	**582,339**	567,636	426,569
Non-instruction staff	375,616	60,687	-	359,562	-	**795,865**	818,350	815,015
Board/trustee honoraria	-	-	-	36,357	-	**36,357**	38,000	38,884
	3,728,601	727,616	-	395,919	63,918	**4,916,054**	**4,891,243**	4,661,864
Employee Benefits								
Employee benefit	-	-	30,986	-	-	**30,986**	26,000	36,823
Leave and termination	-	-	75,721	-	-	**75,721**	20,000	10,827
	-	-	106,707	-	-	**106,707**	**46,000**	47,650
Services Purchased/Contracted								
Advertising/Publishing	-	-	123	29,912	-	**30,035**	47,000	21,089
Communication	17,121	-	-	12,389	-	**29,510**	38,576	24,149
Contracted services	64,555	38,693	-	42,710	-	**145,958**	233,500	169,703
Maintenance & repairs	14,499	-	32,129	-	-	**46,628**	65,800	60,363
Other	62,007	49,830	-	19,863	31,172	**162,872**	241,050	199,304
Rental/leases	112,027	-	-	7,455	-	**119,482**	109,000	124,458
Student travel	57,866	-	-	-	-	**57,866**	67,000	61,738
Travel	32,639	10,790	-	21,174	28,988	**93,591**	93,632	81,311
	360,714	99,313	32,252	133,503	60,160	**685,942**	**895,558**	742,115
Supplies and Materials								
Freight	706	2,432	-	-	-	**3,138**	4,050	5,414
Materials	237,532	36,250	-	33,206	19,706	**326,694**	365,460	325,058
	238,238	38,682	-	33,206	19,706	**329,832**	**369,510**	330,472
Total	$ 4,327,553	$ 865,611	$ 138,959	$ 562,628	$ 143,784	**$ 6,038,535**	**$ 6,202,311**	$ 5,782,101

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 2
Details of Aboriginal Language and Culture Expenses

For the year ended June 30, 2017

	Student Instructions	School Activities & Integrated Community Programs	Total
Function Salaries			
ALCBE teachers	$ 63,918	$ -	$ 63,918
Honoraria	-	21,272	21,272
Elders in the schools	-	9,900	9,900
	63,918	**31,172**	**95,090**
Services Purchased/Contracted			
Travel	-	28,988	28,988
	-	**28,988**	**28,988**
Materials/Supplies/Freight			
Materials	-	**19,706**	**19,706**
	$ 63,918	**$ 79,866**	**$ 143,784**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 3
Details of Inclusive Schooling Expenses

For the year ended June 30, 2017

	Staff Development	Student Resources	General Inclusive Schooling	Total
Function Salaries				
Consultants	$ -	$ -	$ 60,687	$ 60,687
Program support teachers	-	-	457,295	457,295
Supportive assistants	-	-	209,634	209,634
	-	**-**	**727,616**	**727,616**
Services Purchased/Contracted				
Contracted services	-	-	38,693	38,693
Other	49,830	-	-	49,830
Travel	-	-	10,790	10,790
	49,830	**-**	**49,483**	**99,313**
Materials/Supplies/Freight				
Freight	-	-	2,432	2,432
Materials	-	36,250	-	36,250
	-	**36,250**	**2,432**	**38,682**
	$ 49,830	**$ 36,250**	**$ 779,531**	**$ 865,611**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 4
French Language Funding

For the year ended June 30, 2017

	Contributions from GNWT	Commitments from Commission	Expenditures	(Under) Over Funding
STUDENT PARTICIPATION				
School administration (salary)	$ 200,000	$ 20,000	$ 253,432	$ (33,432)
Retention bursaries	12,000	-	32,750	(20,750)
2 grade level per class (salary)	299,350	1,700,000	2,449,982	(450,632)
2 secretaries / librarian (salary)	100,000	48,000	166,933	(18,933)
SCHOOL PROGRAMS				
Cyber pedagogy (salary)	105,000	10,000	119,124	(4,124)
Technology resources	60,000	-	60,560	(560)
PROGRAM ENRICHMENT				
Partnership early childhood	30,000	-	185,251	(155,251)
Teacher assistants for francisation (salary)	120,000	20,000	166,406	(26,406)
Art Program	75,000	-	86,315	(11,315)
Cultural activities	40,000	-	50,032	(10,032)
French resource purchase	30,000	5,000	43,988	(8,988)
EDUCATIONAL SUPPORT FOR PERSONNEL				
Mentors in literacy and numeracy	35,000	15,000	70,106	(20,106)
Mentors in literacy and numeracy (O&M)	25,500	-	26,337	(837)
Professional development	21,000	20,000	41,506	(506)
Total	**$ 1,152,850**	**$ 1,838,000**	**$ 3,752,722**	**$ (761,872)**

Regular GNWT Funding
Total **$ 4,514,588**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 5
Student Success Initiative

For the year ended June 30, 2017

		Total
Revenue - GNWT	$	**32,830**
Expenditures		
Salaries/Wages		
Facilitator fees		20,331
Substitute teacher		8,044
		28,375
Travel		**4,536**
Total expenditures		**32,911**
Deficit	$	**(81)**

1. Nature of the Organization

The Commission was established under the *Education Act* of the Government of the Northwest Territories ("GNWT") by order of the Minister dated November 7, 2000. A full range of instructional programs ranging from pre-kindergarten through Grade 12 is offered by the Commission in both Yellowknife and Hay River.

The Commission 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.

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the Commission includes all aspects of operation and management. The Commission is the lowest (and sole) level of government exercising oversight responsibility.

The Commission is a public body performing a function of government in Canada. Paragraph 149(1)(c) of the *Income Tax Act* provides that a public body performing the function of government in Canada is exempt from taxation.

2. Significant Accounting Policies

(a) Basis of Accounting

The consolidated financial statements of the Commission have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality.

The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the consolidated financial statements. The accrual basis of accounting is utilized for all funds. Under the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques.

2. Significant Accounting Policies (continued)

(c) Financial Instruments

The Commission classifies its financial instruments at cost or amortized cost. The Commission's accounting policy for this financial instrument category is as follows:

This category includes cash, restricted assets, accounts receivable, accounts payable and accrued liabilities, and payroll liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instruments.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations.

(d) Non-financial Assets

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver services that may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses. These assets do not normally provide resources to discharge the liabilities of the Commission unless they are sold.

(e) Tangible Capital Assets

The Commission does not carry any tangible capital assets. All tangible capital assets used by the Commission are purchased by and remain the property of the GNWT. The Minister grants to the Education Body the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. Tangible capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Tangible capital assets with a value of less than $50,000 are recorded as a current expenditure.

2. Significant Accounting Policies (continued)

(f) Revenue Recognition

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.

GNWT - regular contributions

The regular contributions from the GNWT are determined by a funding formula, based on student enrolment and price and volume fluctuation, and are received in monthly installments. The Commission 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 GNWT. The contribution revenue is recognized when received or receivable.

GNWT - French minority language

The French minority language contributions from the GNWT are determined by additional costs related to French minority language, and are received in three installments on the first of November, January and March. The contribution revenue is recognized when received or receivable.

Other contributions

The Commission follows the deferral method of accounting for contributions from funding arrangements. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be reliably estimated and its collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Funds received that are not expended at year-end are recorded as either deferred revenue or contributions repayable depending upon the terms of the contribution agreement.

Special Purpose funds

Schools in the system administer funds which arise from certain school and student activities. Such funds, although subject to internal review, are not recorded in the accounts or in the financial statements of the Commission as they do not constitute any part of the approved budget and are available for use at the discretion of each individual school.

Deferred revenue

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

2. Significant Accounting Policies (continued)

(g) Budget Data

The *Education Act* of the Northwest Territories requires that Boards of Education prepare an annual budget, as outlined in Section 128 and 129.

The final priorities and funding allocations are determined by the Trustees of the Commission at a special meeting called for the purposes of reviewing budget proposals, recommending changes, additions or deletions and adopting the proposed budget. The budget is legally adopted by a motion of the Board in accordance with Section 135(2) of the *Education Act*.

Board approved budgets are submitted to the Minister of Education, Culture, and Employment for final approval as directed by Sections 117(2) k, l and m of the *Education Act*.

This annual budget includes estimates of revenue and expenditures for operations. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Commission.

The budget may be amended within a given fiscal year in accordance with the Commission's policy, regulations and approved budget procedures. The budget data presented in the financial statements reflects the amended budget for the fiscal year, and therefore, includes any amendments that may have been made during the year. The budget has not been audited.

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards 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 consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

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

2. Significant Accounting Policies (continued)

(j) Payroll Liabilities

According to the Northwest Territories Teachers' Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th which provides for continued payment during the summer. GNWT Payroll for NWTTA starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31. Pay periods falling in July are therefore accrued as a liability.

The duties and compensation base for UNW School Year employees are scheduled to align with the academic year although actual start dates and durations vary by specific location and job function. Accordingly, the Commission determines the start dates of their UNW employees and accrues the related payroll liability as appropriate.

All other staff salaries are accrued to include earnings to June 30.

(k) Post-employment Benefits, Compensated Absences and Termination Benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Annual leave is payable within one fiscal year. Employees also earn retirement and severance remuneration based on number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Payment of the removal and termination is dependent on employees leaving the Commission and other criteria as outlined in the negotiated collective agreements and management handbook guidelines of the GNWT.

(l) Special Purpose Funds

Student activity funds which are controlled by students or parties other than the Commission are not included even if custody of the funds is held by the Commission. Examples of excluded funds might be student clubs or associations for which the Commission has no ongoing responsibility of liability for losses.

(m) Donated Goods and Services

The school buildings occupied by the Commission are the property of the GNWT. The lease of the office space occupied by the Commission is paid for by the GNWT. The fair value of the use of the building and office space is estimated at its fair value and recognized as assets provided at no cost in the statement of operations.

2. Significant Accounting Policies (continued)

(n) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organize or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exits; contamination exceeds the environmental standard; The Commission is directly responsible and accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2017.

At each financial reporting date, management reviews the carrying amounts of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. Management at the Commission has concluded that there is no contamination that exceeds environmental standards and as a result there are no liabilities for contaminated sites.

3. Future Accounting Changes

Related party disclosures, Section PS 2200

PSAB approved Section PS 2200, Related Party Disclosures. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines related parties and establishes disclosures required for related party transactions. It is expected that reasonable efforts would be made to identify related party transactions. This may involve adopting policies and procedures designed to ensure that these transactions are appropriately identified, measured and disclosed in the financial statements. Not all related party relationships or transactions occurring between related parties are required to be disclosed. Disclosure is generally required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated. However, not all of these transactions are reportable under this Section. Only those transactions that have or could have a material financial effect on the financial statements are disclosed.

The impact of the transition to this accounting standard has not yet been determined.

Inter-entity Transactions, Section PS 3420

PSAB approved Section PS 3420, Inter-entity Transactions. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This section may be applied in conjunction with Related Party Disclosures, Section PS 2200.

The impact of the transition to this accounting standard has not yet been determined.

3. Future Accounting Changes (continued)

Assets, Section PS 3210

PSAB approved Section PS 3210, Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section provides guidance on how to apply the definition of assets as set out in Section PS 1000, and establishes standards for disclosure of assets except certain specific types of assets, which are dealt with in other Sections.

The impact of the transition to this accounting standard has not yet been determined.

Contingent Assets, Section PS 3320

PSAB approved Section PS 3320, Contingent Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of contingent assets except certain specific types of contingent assets.

The impact of the transition to this accounting standard has not yet been determined.

Contractual Rights, Section PS 3380

PSAB approved Section PS 3380, Contractual Rights. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future except certain specific types of contractual rights.

The impact of the transition to this accounting standard has not yet been determined.

Student Activity Funds

Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to be reported on the consolidated financial statements of the Commission in the future.

4. Cash and Cash Equivalents

	2017	2016
Cash	$ **1,686,375**	$ 1,149,689

The cash is held in a bank account with Royal Bank of Canada (RBC).

5. Special Purpose Funds

The Commission does not have special purpose funds.

6. Restricted Assets

The Commission does not have any restricted assets.

7. Portfolio Investments

The Commission does not have any portfolio investments.

8. Accounts Receivable

	Accounts Receivable 2017	Allowance for doubtful accounts 2017	Net 2017	Net 2016
GNWT - Department of Education, Culture and Employment	$ 132,960	$ -	$ 132,960	$ 144,697
GNWT - Department of Health and Social Services	-	-	-	2,000
Trade Receivable	73,924	330	73,594	183,295
	$ 206,884	**$ 330**	**$ 206,554**	$ 329,992

9. Inventory

The Commission does not have inventory.

10. Accounts Payable and Accrued Liabilities

	2017	2016
Due to WSCC	$ 8,882	$
Due to GNWT	382,052	17,410
Trade payables	243,455	134,067
	$ 634,389	$ 151,477

11. Deferred Revenue

Deferred revenue consists of funding received from the GNWT for the Active After School Program for expenditures not yet incurred at year end.

	2017	2016
GNWT - Active After School program funding	**$ 12,300**	$ -

12. Contributions Repayable

The Commission does not have any contributions repayable.

13. Due From and To the Government of Canada

The Commission does not have amounts due from and to the Government of Canada.

14. Capital Lease Obligations

The Commission does not have capital lease obligations.

15. Pensions

The Commission does not have pensions.

16. Long-Term Debt

The Commission does not have long-term debt.

17. Post-Employment Benefits

Under the conditions of employment, employees earn severance remuneration based on the number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. The payment of these benefits is dependent on employees leaving the Commission.

These liabilities are to be funded in the year they become due through regular annual budget allocations that are received from the GNWT.

Severance benefits are paid to the Commission's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits for all staff are accrued as employee render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

17. Post-Employment Benefits (Continued)

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Authority.

Changes in Obligation	Severance and Removal	Compensated Absences	2017	2016 (Restated - Note 32)
Accrued benefit obligation beginning of year	$ 158,634	$ 32,913	$ 191,547	$ 520,112
Current period benefit cost	17,105	4,380	21,485	127,031
Interest accrued	5,454	1,151	6,605	13,728
Benefits payments	(10,552)	(2,656)	(13,208)	(12,057)
Actuarial (gain)/loss	14,647	21,296	35,943	(457,267)
Accrued benefit obligation end of year	**185,288**	**57,084**	**242,372**	191,547
Unamortized net actuarial loss/(gain)	262,008	106,145	368,153	457,267
Total accrued liability	**$ 447,296**	**$ 163,229**	**$ 610,525**	$ 648,814
Benefits Expense				
Current period benefit cost	$ 17,105	$ 4,380	$ 21,485	$ 127,031
Interest accrued	5,454	1,151	6,605	13,728
Amortization of gains	(36,402)	(16,769)	(53,171)	-
Total benefits expense	**$ (13,843)**	**$ (11,238)**	**$ (25,081)**	$ 140,759

17. Post-Employment Benefits (Continued)

The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
	$	$	$
2018	17,693	5,822	**23,515**
2019	18,910	6,856	**25,766**
2020	18,780	5,897	**24,677**
2021	20,805	6,251	**27,056**
2022	20,668	6,194	**26,862**
2023-2027	85,035	22,353	**107,388**
Total	**181,891**	**53,373**	**235,264**

18. Trust Assets Under Administration

The Commission does not have trust assets under administration.

19. Tangible Capital Assets

The Commission does not have tangible capital assets.

20. Prepaid Expenses and Deposits

	2017	2016
Other prepaids	$ **8,006**	$ 15,183

21. Accumulated Surplus/Deficit

A breakdown is included in the consolidated statement of financial position.

22. Capital Advances

The Commission does not have capital advances.

23. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	2017 Net Book Value	2016 Net Book Value
Ecole Allain St-Cyr	$ 3,392,305	$ 1,547,895	$ 1,844,410	$ 1,929,211
Ecole Boreale	3,741,675	1,021,677	2,719,998	2,708,348
Ecole Allain St-Cyr Phase 1	4,490,598	1,071,251	3,419,347	3,549,195
Final deficiences	-	-	-	270,541
Ecole Boreale Modular Units	1,189,060	236,479	952,581	985,148
Ecole Boreale Pellet Boiler	86,115	31,216	54,899	59,204
	12,899,753	3,908,518	**8,991,235**	9,501,647
Deferred Capital Contribution				
Ecole Allain St-Cyr	(3,230,000)	(1,296,250)	(1,933,750)	(1,933,750)
Ecole Boreale	(2,600,000)	(686,851)	(1,913,149)	(1,913,149)
Ecole Allain St-Cyr Phase 1	(1,300,000)	(287,208)	(1,012,792)	(1,012,792)
	$ 5,769,753	$ 1,638,209	**$ 4,131,544**	$ 4,641,956

Rent expense of $164,160 (2016 - $164,160) was offset by a grant in-kind.

24. Contractual Obligations

The Commission has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2017.

The future minimum payments are as follows:

	Expires in fiscal year	2018	2019-2022	Total
Equipment leases				
Workcenter 5955	2021	$ 3,227	$ 8,067	$ 11,294
Printer/Mono Scanner				
Xerox WC7845i	2020	4,000	8,001	12,001
Aficia MP C4502	2022	2,052	7,695	9,747
		9,279	**23,763**	**33,042**
Operational Contracts				
First Canada ULC	2018	40,000	-	40,000
		$ 49,279	**$ 23,763**	**$ 73,042**

25. Contingencies

In early June 2012, a judgement was decreed in the legal action brought by the Commission against the GNWT to provide additional classroom space in Hay River and to assert the right to enrol students in both schools, and in a second legal action brought against the GNWT by L'Association des Parents Ayants Droit, with the support of the Commission, to provide additional classroom space in Yellowknife. In this judgement the GNWT was ordered by the Supreme Court of the Northwest Territories to reimburse $1,127,287 to the Commission. Payment was received during the fiscal year ended June 30, 2014.

During the fiscal year ended June 30, 2015, the GNWT submitted an appeal and was successful. The Commission then submitted an appeal to the Supreme Court of Canada which was refused to be heard. The amounts owing through the GNWT appeal process have not yet been determined.

26. Related Parties

The Commission is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Commission enters into transactions with these entities in the normal course of business. The Commission is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage, payroll services and internal audit services by the Department of Finance, and utilities and maintenance by Public Works and Services. Transactions with related parties and balances at year-end disclosed in the financial statements are summarized in this note.

		2017		2016
Accounts Receivable				
GNWT - Department of Education, Culture and Employment	**$**	**132,960**	$	146,697
Accounts Payable				
GNWT - Department of Education, Culture and Employment	$	15,464	$	17,410
GNWT - Department of Finance		366,588		-
Hay River District Education Authority		17,943		-
Yellowknife Education District No.1		31,695		-
	$	**413,747**	$	17,410
Salaries and wages payable				
GNWT - Department of Finance (salaries and wages payable)	$	453,914	$	570,684
GNWT - Department of Finance (employee deductions payable)		2,597		5,988
	$	**456,511**	$	576,672

27. Budget Data

The *Education Act* of the Northwest Territories requires that Education Bodies 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 Education Body which includes the establishment of 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 Commission.

The budget figures presented are those approved by the Trustees of the Commission on June 19, 2016 and have not been audited.

28. Economic Dependence

The Commission receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the Commission's operations would be significantly affected.

29. Risk Management

The Commission is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the Commission's financial instruments is provided by type of risk below. The Commission is exposed to credit and liquidity risks from the its financial instruments. Qualitative and quantitative analysis of the significant risks from the Commission's financial instruments is provided by type of risk below.

a) Credit risk

Credit risk is the risk of financial loss to the Commission if a debtor fails to make payments of interest and principal when due. The Commission is exposed to this risk relating to its cash, restricted assets, and accounts receivable. The Commission holds its cash in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Commission's cash in accounts are insured up to $100,000.

The Commission's maximum exposure to credit risk is represented by the financial assets balance for a total of $1,892,929 (2016 - $1,479,681).

Accounts receivable are ultimately due from the departments of the Government of the Northwest Territories (GNWT) and pertain to outstanding contribution agreements. The is a concentration of credit risk in cash as the majority of the deposits are held in one Canadian chartered bank and the balance is in excess of the insurable limit. There is also a concentration risk in accounts receivable as more than 10% of the total balance is from the Government of the Northwest Territories. At June 30, 2017, receivables from the GNWT comprised approximately 64% of the total balance. The amounts represent a low credit risk as the debtors are reputable governments and government organizations with a good credit score. The Commission reduces its risk exposure by following up on old account receivables for collection.

29. Risk Management (continued)

b) Liquidity risk

Liquidity risk is the risk that the Commission will not be able to meet all cash outflow obligations as they come due. The Commission mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

The Commission's maximum exposure to liquidity risk is represented by accounts payable, accrued liabilities, payroll liabilities and contributions repayable for a total $1,090,900 (2016 - $728,149).

The financial assets including cash, restricted assets and accounts receivable, mature within 6 months. The financial liabilities including accounts payable and accrued liabilities, contributions repayable and payroll liabilities mature within 6 months.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

30. Expenditures By Object

	2017 Budget	2017 Actual	2016 Actual
Compensation	$ 4,937,243	$ 5,022,762	$ 4,709,515
Materials/freight	397,510	329,832	350,471
Services purchased/contracted	867,558	716,853	862,874
	$ 6,202,311	**$ 6,069,447**	$ 5,922,860

31. Subsequent Events

There were no subsequent events that have taken place between June 30, 2017 and the date the audit report was signed.

32. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

The financial statements have been restated to reflect the change in accounting policy for the recognition of employee future benefits. The impact of the changes are as follows:

	2017	2016
Increase in opening balance - Post-employement Benefits	$ 457,267	$ 328,565
Increase in closing balance - Post-employement Benefits	$ -	$ 457,267
Decrease in opening balance - Accumulated Surplus	$ (457,267)	$ (328,565)
Decrease in closing balance - Accumulated Surplus	$ -	$ (457,267)
Increase in Post-employement Benefit expense	$ -	$ 128,702

33.ECE Other Contributions

		2017		2016
Government of the Northwest Territories - Department of Education, Culture and Employment				
Early Childhood	$	61,562	$	6,882
Other		16,589		42,363
Self-Regulation		18,750		10,000
	$	**96,901**	$	59,245

34.GNWT Other Contributions

		2017		2016
Government of the Northwest Territories				
Department of Environment and Natural Resources	$	8,250	$	-
Department of Health and Social Services		4,004		5,070
Department of Municipal and Community Affairs		28,380		17,957
Legislative Assembly		3,600		-
	$	**44,234**	$	23,027

35.Payroll Liabilities

		2017		2016
NWTTA	$	314,721	$	409,158
UNW School Year		48,632		75,895
Other June 30		93,158		91,619
	$	**456,511**	$	576,672

36.Statement of Remeasurement Gains and Losses

The Commission does not have remeasurement gains and losses.

Consolidated Financial Statements of

DEHCHO DIVISIONAL EDUCATION COUNCIL

June 30, 2017

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Financial Statements

June 30, 2017

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MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The Management Discussion and Analysis (MD&A) is a go-forward responsibility of management and the Council Members to promote transparency and accountability.

Vision and Core Strategy

The Dehcho Divisional Education Council mission is to provide quality education based on the cultures of its students and partnerships with the communities it serves.
The vision and core strategy for the Dehcho Divisional Education include a variety of goals and objectives, which include:

- Promote excellence in student performance.
- Deliver school programs and activities that support the intellectual, physical, emotional, social, and spiritual development of students.
- Deliver school programs and activities in a manner that integrates traditional and contemporary education practices.
- Provide programs that result in completion of secondary school graduation requirements so that students can pursue post-secondary education, skills, training and/or employment.
- Involve students in identification of learning needs and planning school programs.
- Build partnerships with community and regional agencies to meet student needs and strengthen wellness.
- Provide training to trustees, other educational leaders in schools and communities so that they may effectively exercise their roles and responsibilities.
- Promote and encourage the wellness of educational personnel (Trustees, Council staff and school staffs).

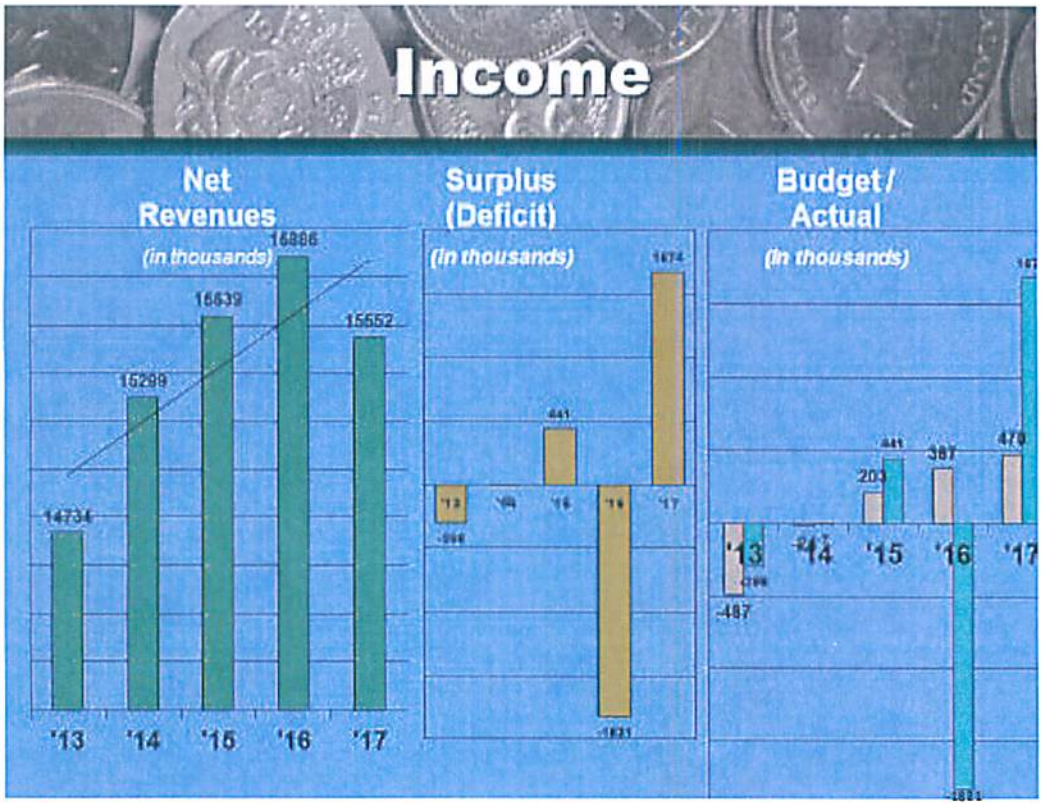
Governance, Trustees and Key Management

Presently, the Council is represented by trustees from eight communities in the Dehcho region. The Council Members are as follows:

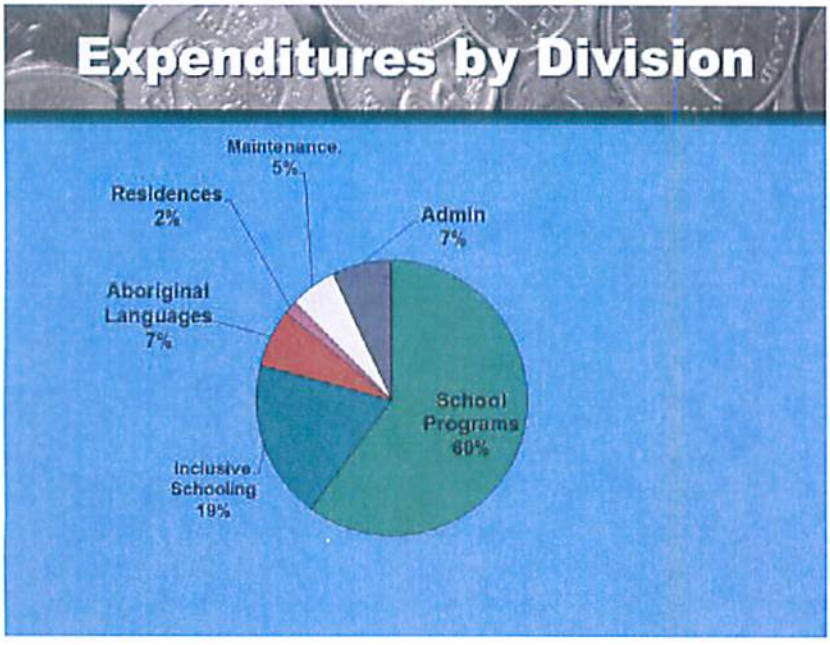
- Fort Providence- Peter Canadien
- Fort Liard- Sylvia Bertrand
- Fort Simpson- Renalyn Pascua-Matte
- Jean Marie River- Yvonne Norwegian
- Kakisa Lake- Anita Chicot- Chairperson
- Trout Lake- Danna Auger
- Wrigley- Lisa Moses-Vice-Chairperson
- Nahanni Butte- Roxanne Konisenta

The management staff include Terry Jaffray, who performs the duties of the Superintendent and is responsible for school operations and overall operations of the Council and David Fiebelkorn who manages the financial and business affairs as Comptroller of the Council.

Key Financial Highlights



Revenue has fluctuated over the past five years due to fluctuating enrollment. Due to these factors and a healthy accumulated surplus from earlier years, the Council has recorded deficits, or small surpluses over the past five years. Actual surpluses have been favorable over original budgets in four the past five years as Council tries to operate in the most financial responsible manner, taking advantage of cost saving measures wherever possible and maximizing other sources of income wherever possible. The exception to this trend is in the previous year where Senior Small Schools Secondary funding claw back due to decreased enrollment, larger than budgeted retirement and leave payouts, larger than funded personnel infrastructure costs all contributed to a much larger than budgeted deficit. During the current fiscal year, the Council recorded a favorable surplus which offset the larger deficit recorded in 2016. Much of this surplus resulted from recovery of unfunded costs of the previous year, as well as prudent fiscal management.



School programs continue to comprise the largest component of expenditures for the Council, with a strong emphasis on Inclusive Schooling and Aboriginal Language programs. The Council has constantly strived to maintain Administration cost at below 10% of total funding.

Total Student and Teacher Populations

COMMUNITY	FORT SIMPSON		FORT PROVIDENCE	JEAN MARIE RIVER	KAKISA LAKE	TROUT LAKE	WRIGLEY	FT LIARD	NAHANNI BUTTE	
SCHOOL	Thomas Simpson	Bompas School	Deh Gah School	Louie Norwegian	Kakisa L School	Charles Tetcho School	Chief J Yendo School	Echo Dene School	Charles Yohin School	TOTAL
STUDENTS										
Beginning of Year Enrollment	122	99	145	6	8	17	21	119	6	543
End of Year Enrollment	120	101	142	6	8	16	21	119	6	539
TOTAL BY DISTRICT EDUCATION AUTHOR (DEA) END OF YEAR		221	142	6	8	16	21	119	6	539

TEACHING STAFF										
Beginning of Year Teachers	8.5	6	11	1	1	2	1.5	8	1	40
End of Year Teachers	8.5	6	11	1	1	2	1.5	8	1	40
TOTAL BY DISTRICT EDUCATION AUTHORITY (DEA) END OF YEAR		14.5	11	1	1	2	1.5	8	1	40

Operating Environment

The Dehcho Divisional Education Council has been strengthened by sound fiscal and operation management over its history. The Council has enjoyed consistency in key management positions which has allowed for solid financial and administrative decision making. It also has been fortunate in attracting and retaining personnel in key positions. It has developed strong partnership with local groups and organizations and has developed relationships that have benefited the Council and schools. In addition, Council development and training has been a key area of strength in recent years. The Council has experienced some turnover in Principal and teaching staff in recent years which has weakened the consistency in student learning and achievement. The Council sees opportunities in the Education Renewal and Innovation to offer more dynamic education initiatives throughout the region and, with its partnerships with local and First Nations, it has opportunities to improve and develop language and cultural emphasis in education. Declining enrollment and related funding reductions represent a significant risk as well as retention of senior staff members over the next several years.

Financial Conditions

During the fiscal year ending June 30, 2017, the Council budgeted for an operating surplus to reduce the accumulated deficit and at the same time, maintain a similar level of service in the schools and communities. In doing so, the Council budgeted for an annual surplus of $ 469,774. During the year, the Council managed to incorporate several recoveries as well as prudent fiscal management, despite declining enrollment, to record a surplus of $1,673,882. When converted to cash flow working capital surplus, the amount of available surplus for future years in even more. This surplus for the 2017 year brought the overall accumulated books from a deficit to surplus of $33,321 after several years of declining enrollment and unexpected costs. The break-even budget planned for 2017-18 as well as the current cash balance of $3,342,918 eliminated any liquidity concerns as the Council continues to maintain cost controls in the current year, while contingent liabilities are not a risk to the Council's financial health. In addition, the Council has budgeted for a surplus of $22,513 for the 2017-18 fiscal year in order to maintain the financial stability of the Council.

Surplus/(Deficit)

	2017	2016
Operating surplus (deficit) before other item	$ 1,676,910	$ (531,122)
Other items:		
Post-employment benefit recovery (expense), Note 17	(3,028)	(387,546)
Payroll Expenses, refer to Note 17	-	(902,383)
Prior Year Funding Received	-	-
	1,673,882	(1,821,051)
Unfunded Items:		
Change in employee leave and termination benefits	22,160	(32,537)
Change in post-employment benefits	(269,820)	1,159,516
Annual Surplus (Deficit)	$ 1,426,222	$ (694,072)

	2017	2016
Accumulated Surplus (Deficit)	$ 33,321	$ (1,640,561)
Employee leave and termination benefit	41,564	19,404
Post-employment benefits	2,127,531	2,397,351
Adjusted Accumulated Surplus (Deficit)	$ 2,202,416	$ 776,194

Summary and Outlook

During the past year, the Council was fortunate to recover from a large deficit the previous year, to return the Council to previous accumulated surplus levels. Despite being affected by several unanticipated and unbudgeted cost and funding reductions due to declining enrollment which reduced its accumulated financial position in a period of declining or stagnant enrollment, the Council was able to combine some cost recoveries along with strong fiscal management to reverse the fiscal trend. It was able to be successful in continuing many new initiatives including distance learning courses, mental health support for small schools, resiliency programs, and self-regulation. Several programs such as literacy development, the Aboriginal Language Revitalization program in partnership with the University of Victoria, and Council governance training and development continued. Moving forward, the Council's goals for the upcoming year are to increase student achievement through continuing to provide staff and Council training and to provide programs that meet the needs of our 21st century learners and the goals of Education Renewal. Literacy, distance learning, self-regulation, and the Aboriginal Language revitalization programs will continue. New initiatives include: programs and training for incumbent Aboriginal Language Teachers, disciplinary literacy training, autism training and programs and co-teaching. Finally, Council plans to upgrade aging technology and provide ongoing training for education applications including PowerSchool.

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Dehcho Divisional Education Council have been conducted within the statutory powers of the Education Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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.

The financial statements have been reported on by Ashton Chartered Accountants. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Approved and confirmed on behalf of the Dehcho Divisional Education Council

Terry Jaffray — Date: 27-09-2017
Superintendent
Dehcho Divisional Education Council

David Fiebelkorn, CGA — Date: 30-09-2017
Comptroller
Dehcho Divisional Education Council

ASHTON
Chartered Accountants
Business Advisors

Suite 8 – 6 Courtoreille Street
Hay River, NT X0E 1G2
PH: (867) 874-6775
FX: (867) 874-3775
Email: tashton@ashtonca.com

AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of the Dehcho Divisional Education Council, which comprise the consolidated statement of financial position as at June 30, 2017, and the consolidated statements of operations, changes in net financial assets (debt), 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.

Auditor's 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 in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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 entity'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 the basis for our audit opinion.

Basis for Qualified Opinion

Salaries and related benefits paid to employees of the Education Body are administered by the Government of the Northwest Territories and are audited as part of the Government of the Northwest Territories audit. Our audit scope was limited as we did not audit the components of compensation and benefits expenditures and related balances. Accordingly we are not able to determine whether any adjustments might be necessary to compensation and benefit expenditures, payroll liabilities, employee future benefits, net financial resources and accumulated surplus/deficit as well as note disclosures associated with transactions and year-end balances related to compensation and benefits.

Audit Report to the Minister of Education, Culture and Employment of the Government of the Northwest Territories (continued)

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these financial present fairly, in all material respects, the financial position of the Education Body as at June 30, 2017 and its financial performance and its cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

Report on Other Legal and Regulator Requirements

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



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
September 30, 2017

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Financial Position

June 30, 2017

		2017		*2016
FINANCIAL ASSETS				
Cash and cash equivalents, Note 4	$	3,342,918	$	2,088,588
Special purpose funds, Note 5		291,097		207,895
Due from Government of Canada, Note 13		56,801		-
Accounts receivable, Note 8		97,828		304,315
	$	3,788,644	$	2,600,798
LIABILITIES				
Accounts payable and accrued liabilities, Note 10	$	61,173	$	65,040
Payroll liabilities, Note 10		1,387,011		1,664,002
Due to the Government of Canada, Note 13		-		4,897
Deferred revenue, Note 11		73,883		96,450
Post-employment benefits, Note 17		2,127,531		2,397,351
Trust Liabilities, Note 18		136,182		33,619
		3,785,780		4,261,359
Net Assets (Deficit)	$	2,864	$	(1,660,561)
NON-FINANCIAL ASSETS				
Prepaid expenses, Note 20	$	30,457	$	20,000
ACCUMULATED SURPLUS (DEFICIT)	$	33,321	$	(1,640,561)

* Reclassified for comparative purposes

Represented by:

Operating surplus (deficit)				
Divisional Education Council	$	(250,901)	$	(1,859,472)
District Education Authorities		284,222		218,911
	$	33,321	$	(1,640,561)

Contractual obligations, Note 24

Contingencies, Note 25

Approved: _____ Chair

_____ Vice-chair

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Operations

For the year ended June 30, 2017

	Budget 2017	Actual 2017	Actual *2016
Revenue			
Government of the NWT			
ECE regular contribution	$ 14,229,000	$ 14,449,482	$ 14,533,006
Teaching and learning centers, Schedule C	73,000	73,000	73,000
French language program Schedule B	55,000	50,000	50,000
ECE other contributions, Note 33	-	183,986	10,000
Total ECE contributions	14,357,000	14,756,468	14,666,006
GNWT other contributions, Note 34	330,000	402,038	358,220
Total GNWT	14,687,000	15,158,506	15,024,226
Government of Canada contributions	-	103,534	214,870
	14,687,000	15,262,040	15,239,096
Self-Generated Funds			
Rentals	36,000	25,460	29,000
Investment income	15,000	20,293	18,737
Contract and other	137,000	118,098	285,119
	188,000	163,851	332,856
Education authority self-generated funds, Schedule F-1	-	145,662	203,290
GNWT contributions to Education Authorities, Schedule F-1	-	44,830	111,426
	-	190,492	314,716
	14,875,000	15,616,383	15,886,668
Expenses			
Administration	1,164,907	1,077,082	1,394,595
School programs	8,558,748	8,107,699	9,324,430
Inclusive schooling	2,441,803	2,681,648	3,433,420
Student accommodation	-	237,260	200,847
Operations and maintenance	818,955	780,267	788,332
Aboriginal language/cultural programs	1,420,813	1,055,517	1,276,166
	14,405,226	13,939,473	16,417,790
Operating surplus (deficit) before other item	469,774	1,676,910	(531,122)
Other item:			
Post-employment benefit recovery (expense), Note 17	-	(3,028)	(387,546)
Payroll expense, Note 17	-	-	(902,383)
Operating surplus (deficit)	$ 469,774	$ 1,673,882	$ (1,821,051)
Accumulated surplus (deficit), beginning of year		(1,640,561)	180,490
Accumulated surplus (deficit), end of year		$ 33,321	$ (1,640,561)

* Reclassified for comparative purposes

Accumulated surplus (deficit) is comprised of the following:

Accumulated surplus (deficit), end of year	$ 33,321	$ (1,640,561)
Post employment benefits - Unamortized net actuarial (gain)/loss (Note 17)	613,521	902,383
Revised accumulated surplus (deficit), end of the year	$ 646,842	$ (738,178)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Change in Net Assets (Debt)

For the year ended June 30, 2017

	2017	2016
Operating Surplus (Deficit)	$ 1,673,882	$ (1,821,051)
Amortization of tangible assets	-	-
Net change in prepaids	(10,457)	-
(Increase) Decrease in net debt	1,663,425	(1,821,051)
Net assets (debt) beginning of the year	(1,660,561)	160,490
Net assets (debt) end of year	$ 2,864	$ (1,660,561)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Cash Flow

For the year ended June 30, 2017

	2017	2016
Operating Activities		
Operating Surplus (Deficit)	$ 1,676,910	$ (531,122)
Items not affecting cash:		
Amortization	-	-
	-	-
Changes in non-cash assets and liabilities		
Decrease (increase) in due from the Government of Canada	(56,801)	-
Decrease (increase) in trust assets	-	-
Decrease (increase) in accounts receivable	206,487	(207,259)
Increase (decrease) in accounts payable	(3,867)	88,148
Increase (decrease) in payroll liabilities	(276,991)	(125,461)
Increase (decrease) in contributions repayable	-	(57,238)
Increase (decrease) in due to the Government of Canada	(4,897)	3,442
Increase (decrease) in deferred revenues	(22,567)	(49,110)
Increase (decrease) in post-employment benefits	(269,820)	257,133
Increase (decrease) in trust liabilities	102,563	(2,591)
Decrease (increase) in prepaids	(10,457)	-
	(336,350)	(92,936)
Cash provided by operating transactions	1,340,560	(624,058)
Financing Activities		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
Cash provided by (used for) financing activities	-	-
Investing Activities		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash provided by (used for) investing transactions	-	-
Capital transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash used for capital transactions	-	-
Increase (Decrease) in cash and cash equivalents	1,340,560	(624,058)
Cash and cash equivalents, beginning of year	2,684,029	3,308,087
Cash and cash equivalents, end of year	$ 4,024,589	$ 2,684,029
Cash consists of :		
Cash, Note 4	$ 3,342,918	$ 2,088,588
Special purpose funds, Note 5	291,097	207,895
	$ 3,634,015	$ 2,296,483

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	2017 Total
Salaries							
Teachers' salaries	$ 6,019,027	$ 908,800	$ -	$ -	$ -	$ -	$ 6,927,827
Instruction assistants	61,419	1,270,029	-	-	-	698,909	2,030,357
Non-instructional staff	777,091	319,326	-	706,534	666,304	127,082	2,596,337
Board/Trustee Honoraria	-	-	-	-	48,953	8,750	57,703
	6,857,537	2,498,155	-	706,534	715,257	834,741	11,612,224
Employee Benefits							
Employee benefits and allowances	152,679	45,269	-	12,948	13,627	15,671	240,194
Leave and termination	179,963	92,708	-	-	-	94,219	366,890
	332,642	137,977	-	12,948	13,627	109,890	607,084
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	27,133	-	27,133
Postage/Communication	46,167	-	-	-	43,155	-	89,322
Utilities	-	-	2,897	41,821	779	-	45,497
Travel	147,740	14,302	33,308	-	103,576	3,890	302,816
Student Travel (Bussing)	24,753	-	-	-	-	-	24,753
Advertising/Printing/Publishing	16,797	-	-	-	-	9,290	26,087
Maintenance/Repair	-	-	-	-	27,635	-	27,635
Rentals/Leases	24,674	-	-	13,200	9,650	5,080	52,604
Other - Student Awards	6,746	-	-	-	30,510	-	37,256
Other - Contracted Services	-	11,285	171,166	5,764	7,073	-	195,288
Other - School Programs	71,327	-	-	-	6,487	-	77,814
Other - Miscellaneous	-	-	-	-	6,436	-	6,436
	338,204	25,587	207,371	60,785	262,434	18,260	912,641
Materials, Supplies and Freight							
Materials	564,730	19,929	29,478	-	85,564	92,380	792,081
Freight	14,586	-	411	-	200	246	15,443
	579,316	19,929	29,889	-	85,764	92,626	807,524
Contributions and Transfers							
Transfers	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
Total	$ 8,107,699	$ 2,681,648	$ 237,260	$ 780,267	$ 1,077,082	$ 1,055,517	$ 13,939,473

Note 1. Dehcho Divisional Education Council

The Dehcho Divisional Education Council (formerly known as the Divisional Board of Education) was established on March 30, 1990. The Dehcho Division encompasses an area which includes the communities of Wrigley (Chief Julian Yendo School), Nahanni Butte (Charles Yohin School) , Trout Lake (Charles Tetcho School), Fort Simpson (Bompas Elementary School and Thomas Simpson Secondary School), Fort Liard (Echo-Dene School), Fort Providence (Deh Gah Elementary and Secondary School), Jean Marie River (Louie Norwegian School) and Kakisa Lake (Territorial School - Kakisa Lake School).

The Education Body's purpose is to administer and manage the educational affairs of the Division in accordance with the Education Act and the Financial Administration Act of the Northwest Territories and the regulations of the Order establishing the Education Division.

Note 2. Summary of Significant Accounting Policies

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for all funds. Under this basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash and with a date of 90 days or less from the date of acquisition.

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized cost include cash, accountable funds, due from the GNWT and other accounts receivable.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, accrued salaries, deferred revenue, post-employment benefits and accountable funds.

Note 2. **Summary of Significant Accounting Policies (continued)**

(c) Financial Instruments (continued)

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

(d) Non-Financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by the Education Body because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Education Body.

(e) Tangible Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. The Minister grants to the Education Body the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. Capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Capital assets with a value of less than $50,000 are recorded as a current expenditure.

(f) Revenue Recognition

Government Transfers:

Revenues are recognized in the period in which the transactions or events occur 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, 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 assets are recognized as acquired or built.

Note 2. **Summary of Significant Accounting Policies (continued)**

(f) Revenue Recognition - (Continued)

GNWT – Regular Contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Education Body 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 GNWT.

Other Contributions:

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

Deferred Revenue:

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

Investment Income:

Investment income is recognized when received or receivable, if the amount can be reasonably estimated

(g) Budget Data

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees of each Education Body and the budget is legally adopted by a motion of the Board in accordance with Section 135(3) of the Education Act.

Board approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by Sections 117(2) k, l and m of the Education Act.

This annual budget includes estimates of revenues, expenditures and the net operating surplus (deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Education Body.

The budget may be amended within a given fiscal year in accordance with Education Body policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

Note 2. **Summary of Significant Accounting Policies (continued)**

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards 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 amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Education Body are treated as expenditures during the year of acquisition and are not recorded on the statement of financial position.

(j) Payroll Liabilities

According to the Northwest Territories Teachers Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th which provides for continued payment during the summer. GNWT Payroll for NWTTA starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31. Pay periods falling in July are therefore accrued.

The duties and compensation base for UNW School Year employees are scheduled to align with the academic year although actual start dates and durations vary by specific location and job function. Accordingly, the Education Body determines the start dates of their UNW employees and accrues the related payroll liability as appropriate.

All other staff are accrued to include earnings to June 30.

(k) Post-employment Benefits, Compensated Absences and Termination Benefits

Under the terms and conditions of employment, education board employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reasons for termination. Benefit entitlements are paid upon resignation, retirement or death of an employees. The expected cost of providing these benefits is recognized as employees render services. Termination benefits are recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides services, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternal and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

(l) Special Purpose Funds

School activity funds which are fully controlled by the Education Body with respect to when and how the funds available can be disbursed are included. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefits.

Student activity funds which are controlled by students or parties other than the Education Body are not included even if custody of the funds is held by the Education Body.

Note 3. Future Accounting Changes

Financial Instruments - Section PS 3450
PSAB has implemented changes to Section PS 3450, Financial Instruments that outlines offsetting of financial assets and financial liabilities and the valuation of investments to be measured at fair value. These changes are to be applied on a go forward basis for all fiscal years beginning on or after April 1, 2019. The impact of the transition to these changes has not yet been determined.

Inter-entity Transactions - Section PS 3420
PSAB approved Section PS 3420, Inter-entity transactions. This section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The new standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

Student Activity/Fiduciary Funds Policy
Student Activity/Fiduciary funds policy is currently under review by the GNWT - ECE for possible inclusion in Special Purpose Funds. At this time no formal directive has been released and, therefore management is unable to determine any impact that may exist on the financial statements.

Note 4. Cash and Cash Equivalents

	2017	2016
Cash	$ 3,342,918	$ 2,088,588
Short term investments	-	-
Cash	$ 3,342,918	$ 2,088,588

Note 5. Special Purpose Funds

Special purpose funds consist of account balances held by each of the individual District Education Authorities for which the Education Body has control of when and how the funds are disbursed.

	2017	2016
Fort Simpson (Bompas Elementary/Thomas Simpson Secondary Schools)	$ 48,978	$ 54,354
Fort Providence (Deh Gah Elementary/Secondary Schools)	98,450	47,427
Fort Liard (Echo-Dene School)	30,684	3,873
Jean Marie River (Louie Norwegian School)	12,768	7,864
Wrigley (Chief Julian Yendo School)	64,448	56,946
Nahanni Butte (Charles Yohin School)	22,855	22,711
Trout Lake (Charles Tetcho School)	8,900	2,107
Kakisa Lake (Territorial School - Kakisa Lake School)	4,014	12,613
	$ 291,097	$ 207,895

Note 6. Restricted Assets - Nil Report

Note 7. Portfolio Investments - Nil Report

Note 8. Accounts Receivable

	Receivables 2017	AFDA 2017	Net 2017	Net 2016
GNWT - ECE	$ 24,498	-	$ 24,498	$ 33,997
GNWT - Finance	2,954	-	2,954	-
GNWT - HSS	831	-	831	831
GNWT - ITI	-	-	-	-
Aurora College	10,620	-	10,620	14,543
Total Due from GNWT	38,903	-	38,903	49,371
WSCC	-	-	-	-
Other	58,925	-	58,925	254,944
Total receivables before amounts due from Government of Canada	97,828	-	97,828	304,315
Government of Canada	56,801	-	56,801	-
	$ 154,629	-	$ 154,629	608,630

Note 9. Inventories - Not Applicable

Note 10. Accounts Payable and Accrued Liabilities

	2017	2016
GNWT - Human Resources	$ 294	$ -
WSCC	-	-
Employee source deductions	55	151
Accounts payable and accrued liabilities	60,824	64,889
	61,173	65,040
Payroll liabilities		
UNW School Year & NWTTA	1,345,447	1,644,598
Leave	41,564	19,404
	1,387,011	1,664,002
	$ 1,448,184	$ 1,729,042

Note 11. Deferred Revenue

	2017	2016
GNWT - MACA		
Sport and Recreation	$ -	$ 16,250
Active After School	6,266	-
Physical Literacy	4,675	49,008
Resiliency Training	-	7,043
Math Training	-	4,000
Operating and Maintenance	-	5,000
	10,941	81,301
National Indian Brotherhood Trust		
Willow Lake Culture Camp	62,942	-
NWT Teachers Association		
Student Success Initiative	-	15,149
	$ 73,883	$ 96,450

Note 12. **Contribution Repayable - Nil Report**

Note 13. **Due From and To the Government of Canada**

		2017		2016
Receivables				
Project - Youth Wellness Program	$	56,801	$	-
Miscellaneous receivables		-		-
	$	56,801	$	-
Payables				
Advances on projects	$	-	$	-
Miscellaneous payables		-		4,897
	$	-	$	4,897

Note 14. **Capital Lease Obligations - Nil Report**

Note 15. **Pension - Not Applicable**

Note 16. **Long-term Debt - Nil Report**

Note 17. **Post-employment Benefits, Compensated Absences and Termination Benefits**

The Education Body provides severance (resignation and retirement), removal and compensated absence (sick, special matemity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a deficit equal to the accrued post-employment benefits obligation.

Severance benefits are paid to the employees based on the types of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment, and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued by an external actuarial with the GNWT payroll valuations using the expected utilization methodology.

Compensated absence benefits generally accrue as employees render services and are paid upon the occurrence of an event resulting in eligibility for the benefits. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include matemity and parental leave. Benefits that accrue under the compensated absence benefits were valued by an external actuarial with the GNWT payroll valuations using the expected utilization methodology.

Leave includes annual and lieu time for all staff (UNW, Excluded, Senior Management, Contract) which consists of leave banks, leave accruals and leave payouts due.

Costs are to include those for contracted non-public servant employees (including Superintendents)

These liabilities are to be funded in the year they become due through regular annual budget allocation.

Note 17. **Post-employment Benefits, Compensated Absences and Termination Benefits (continued)**

Change in Estimate

During the year ended June 30, 2016, the method for calculating other employee future benefits and compensated absences was refined to better reflect the probability that these benefits would be used in the future based on past experiences. This change in accounting estimate is being accounted for on a prospective basis starting July 1, 2016 based on the actuarial valuation where the prior year was calculated based on an expectation formula determined by management.

Valuation Results

The actuarial valuation as at June 30, 2017 as extrapolated from the last actuarial valuation that was completed on March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The values presented below are for all of the benefits under the Compensated Absences and Terminations Benefits for the consolidated Government.

	Severance and removal	Compensated Absences	2017	2016 *Restated*
Changes in Obligation				
Accrued benefit obligations beginning of the year	$ 1,313,103	$ 181,865	$ 1,494,968	$ 2,533,301
Current period benefit cost	53,899	13,205	67,104	327,386
Interest accrued	35,551	5,301	40,852	60,160
Benefits payments	(213,998)	(58,850)	(272,848)	(523,496)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	79,945	103,989	183,934	(902,383)
Accrued benefit obligation, end of year	1,268,500	245,510	1,514,010	1,494,968
Unamortized net actuarial gain	630,488	(16,967)	613,521	902,383
Net future obligation	$ 1,898,988	$ 228,543	$ 2,127,531	$ 2,397,351
Benefits Expense				
Currrent period benefit cost	53,899	13,205	67,104	327,386
Interest cost	35,551	5,301	40,852	60,160
Plan amendments	-	-	-	-
Amortization of actuarial gains	(93,478)	(11,450)	(104,928)	-
	(4,028)	7,056	3,028	387,546

The discount rate used to determine the accrued benefit obligation is an average of 3.3%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance and removal	Compensated Absences	2017
2018	$ 479,940	$ 73,250	$ 553,190
2019	194,361	33,373	227,734
2020	131,631	28,203	159,834
2021	112,997	27,752	140,749
2022	109,441	26,813	136,254
	$ 1,028,370	$ 189,391	$ 1,217,761

Note 17. **Post-employment Benefits, Compensated Absences and Termination Benefits (continued)**

Prior Period Adjustment

In the prior year, the post-employment benefits liability was recorded as the accrued benefit obligation from the actuaries report. This represents a departure from Canadian public sector accounting principles because it does not include the unamortized net actuarial (gain)/loss. The correct treatment is to record the accrued benefit liability which consists of the accrued benefit obligation plus the unamortized net actuarial (gain)/loss. This has resulted in the understatement of post-employment benefits, and salaries and the overstatement of accumulated surplus by $902,383. The balances have been adjusted retrospectively.

Note 18. **Trust Assets and Liabilities under Administration**

Superintendent's Association Fund: The balance is held on behalf of the Superintendent's Association. The fund increases by dues paid by Superintendents and funds are spent at the discretion of the Association.

Steve Rowan Memorial Scholarship Fund: The balance is held to provide scholarships to qualifying students.

Mercedes Benz Scholarship Fund: The balance is held to provide scholarships to qualifying students.

	2017	2016
Superintendent Fund	$ 10,481	$ 7,181
Steve Rowan Memorial Scholarship Fund	113,731	14,631
Mercedes Benz Scholarship Fund	11,970	11,807
	$ 136,182	$ 33,619

Note 19. **Tangible Capital Asset - Nil Report**

Note 20. **Prepaid Expenses**

	2017	2016
CIBC Visa Deposit	$ 20,000	$ 20,000
Prepaid service contracts	10,457	-
CIBC Visa Deposit	$ 30,457	$ 20,000

Note 21. **Accumulated Surplus/Deficit - Not Applicable**

(Not applicable, breakdown included in Statement of Financial Position)

Note 22. **Capital Advances - Not applicable**

Note 23. **GNWT Assets Provided at No Cost**

	Cost	Accumulated Amortization	2017 Net Book Value	2017 Net Book Value
Buildings				
Schools and colleges	$ 27,512,799	$ 17,591,493	$ 9,921,306	$ 10,204,638
Residences	843,808	511,617	332,191	353,282
Staff Housing	287,453	209,190	78,263	85,447
	$ 28,644,060	$ 18,312,300	$ 10,331,760	$ 10,643,367

Note 24. Contractual Obligations

The Education Body has a contractual obligation for the lease of office equipment and with a contractor for the operation of the student accommodations. This commitment requires payments as shown below:

	Expires in Fiscal Year*	2018	2019 - 2021	Total
Equipment leases	2021	$ 51,600	$ 99,903	$ 151,503
Operational leases	2017	133,126	-	133,126
		$ 184,726	$ 99,903	$ 284,629

* Refers to the last fiscal year of all agreements in that line category

Note 25. Contingencies - Nil Report

Note 26. Related Parties

The Education Body is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Education Body enters into transactions with these entities in the normal course of operations. The Education Body is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, payroll services by the Department of Human Resources, internal audit services by the Department of Finance, and utility and maintenance by Public Works and Services.

Transactions with related parties and balances at year-end not disclosed elsewhere in the financial statements are disclosed in this note:

	2017	2016
Accounts payable, Note 10		
Government of the Northwest Territories		
Human Resources	$ 294	$ -
Other related parties		
NWT Power Corporation	3,000	1,964
	$ 3,294	$ 1,964
Payroll liabilities, Note 10		
Government of the Northwest Territories	$ 1,387,011	$ 1,664,002
Deferred Revenues, Note 11		
Government of the Northwest Territories		
Municipal and Community Affairs	$ 10,941	$ 81,301
Accounts receivable, Note 8		
Government of the Northwest Territories		
Education, Culture and Employment (ECE)	$ 24,498	$ 33,997
Health & Social Services (DHSS)	831	831
Finance	2,954	-
Industry, Tourism and Investment (ITI)	-	-
Total GNWT	28,283	34,828
Other related parties		
Aurora College	10,620	14,543
	$ 38,903	$ 49,371

Note 26. **Related Parties (continued)**

	2017	2016
Revenues		
Government of the Northwest Territories		
ECE - Core contribution	$ 14,449,482	$ 14,533,006
ECE - Teaching and learning centers, pg 11	73,000	73,000
ECE - French language program pg 10	50,000	50,000
ECE - other contributions, Note 33	183,986	10,000
MACA - GNWT other Contributions, Note 34	347,636	296,599
ITI - GNWT other Contributions, Note 34	40,200	45,157
DHSS - GNWT other Contributions, Note 34	14,202	16,464
GNWT contributions to Education Authorities, Schedule F-1	44,830	111,426
Department of Finance - rent and custodian	18,120	16,600
Total GNWT	15,221,456	15,152,252
Other related parties		
Aurora College	33,921	79,086
Beaufort Delta Education Council	-	32,902
	$ 15,255,377	$ 15,264,240

Note 27. **Budget**

The Education Act of the Northwest Territories requires that Education Bodies 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 Education Body which may or may not include the establishment of 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 revenues 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 Education Body.

The budget figures presented are those approved by the Minister of Education, Culture and Employment on August 8, 2016 and have not been audited.

Note 28. **Economic Dependence**

The Dehcho District Education Council received its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that Dehcho District Education Council operations would be significantly affected.

Note 29. Financial Instruments

The Education Body is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Education Body's risk exposure and concentration as of June 30, 2017.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Education Body has little exposure to credit risk as the majority of its revenues originate from government sources with strong credit worthiness.

Liquidity

Liquidity risk is the risk the Education Body will not be able to meet its obligations as they come due. The Education Body meets its liquidity requirements by preparing detailed cash budgets and having cash available on hand to meet its obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is composed of currency risk, interest rate risk and other price risk.

Currency risk

The Education Body deals exclusively in Canadian funds and therefore has no currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. The Education Body minimizes risk through its normal operating and financing activities and maintains cash in a general bank account with interest fixed at 1.0%.

Note 30. Expenses by Object

	2017 Budget	2017 Actual	2016 Actual
Compensation	$ 12,624,160	$ 12,219,308	$ 14,300,596
Professional/Technical Services	55,000	27,133	30,167
Postage/Communication	68,000	89,322	104,677
Utilities	-	45,497	34,040
Travel	546,000	302,816	446,833
Student Travel (Bussing)	165,000	24,753	58,483
Advertising/Printing/Publishing	21,000	26,087	36,479
Maintenance/Repair	20,000	27,635	27,835
Rentals/Leases	102,272	52,604	62,339
Other - Student Awards	-	37,256	61,512
Other - Contracted Services	233,500	195,288	195,114
Other - School Programs	-	77,814	52,439
Other - Miscellaneous	-	6,436	39,115
Materials, Supplies and Freight	570,294	807,524	968,161
Amortization	-	-	-
	$ 14,405,226	$ 13,939,473	$ 16,417,790

Note 31. **Subsequent Events - Nil Report**

Note 32. **Comparative Figures**

Some comparative figures have been reclassified to conform with current year's presentation.

Note 33. **ECE Other Contributions**

	2017	2016
Infrastructure funding	$ 138,472	$ -
Distance education	38,514	-
Self regulation	7,000	10,000
	$ 183,986	$ 10,000

Note 34. **GNWT Other Contributions**

	2017	2016
Municipal and Community Affairs		
Sports and youth programs	$ 5,000	$ 34,250
Sport strategy	127,140	127,140
Children and youth resiliency	36,136	25,000
Active after school	108,000	29,140
Other	1,000	16,810
Industry, Tourism and Investment		
Take a kid trapping	40,200	45,157
Health and Social Services		
Drop the pop	14,202	16,464
Deferred revenue - GNWT, opening	81,301	145,560
Deferred revenue - GNWT, closing	(10,941)	(81,301)
	$ 402,038	$ 358,220

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-based Education Expenses

Schedule A

For the year ended June 30, 2017

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	2017 Total
Salaries					
ALCBE teachers	$ -	$ -	$ -	$ -	$ -
Language consultants	-	-	-	-	-
Instruction assistants	744,028	-	-	-	744,028
Non-instructional staff	75,000	-	-	-	75,000
Elders in schools	-	8,750	-	-	8,750
	819,028	8,750	-	-	827,778
Employee Benefits					
Employee benefits and allowances	15,671	-	-	-	15,671
Leave and termination benefits	94,219	-	-	-	94,219
	109,890	-	-	-	109,890
Services Purchased/Contracted					
Professional services	-	-	-	-	-
Postage and communication	-	-	-	-	-
Travel	3,300	-	-	-	3,300
Student transportation	-	-	-	-	-
Advertising, printing and publishing	9,290	-	-	-	9,290
Maintenance and repairs	-	-	-	-	-
Rentals and leases	1,580	-	-	-	1,580
Other contracted services	-	-	-	-	-
	14,170	-	-	-	14,170
Materials, Supplies and Freight					
Materials	-	65,019	-	-	65,019
Freight	-	246	-	-	246
	-	65,265	-	-	65,265
Total	$ 943,088	$ 74,015	$ -	$ -	$ 1,017,103

DEHCHO DIVISIONAL EDUCATION COUNCIL

French Language Program

Schedule B

For the year ended June 30, 2017

	Contributions from GNWT July 1 to June 30	Commitment from Dehcho July 1 to June 30	Expenses July 1 to June 30	Over/Under Funding
Special projects:				
Core French 1-12 (salary)	$ 50,000	$ 50,000	$ 126,897	$ (26,897)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Languages - Teaching and Learning Center

Schedule C

For the year ended June 30, 2017

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total Fiscal Year 2016/2017
Revenue			
Funding received	$ 73,000	$ -	$ 73,000
Expenditure			
Salaries	5,285	10,352	15,637
Resources	-	-	-
Other O & M	54,012	6,046	60,058
Deficit Funding - June 30 previous year	-	-	-
	59,297	16,398	75,695
Surplus (Deficit), March 31, 2015	$ 13,703		
Surplus (Deficit), June 30, 2015		$ (16,398)	
Surplus (Deficit) - Total			$ (2,695)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Student Success Initiative Projects

Schedule D

For the year ended June 30, 2017

	2017	2016
Revenue		
GNWT - Education, Culture & Employment	$ 55,000	$ 55,000
NWT Teachers Association	11,853	83,516
	66,853	138,516
Expenditure		
Salaries and wages		
Facilitator fees	6,318	6,355
Substitute teacher wages	2,908	2,306
Staff	45,000	45,000
Travel		
Facilitator travel	-	-
Airfare	4,128	9,711
Staff travel	3,796	9,425
Accommodations	-	5,375
Per diems	-	-
Other expenses		
Student resources		
Room rental	-	-
Refreshments	-	342
Resources	4,703	25,016
Stationary printing	-	-
	66,853	103,530
Surplus (Deficit)	$ -	$ 34,986

DEHCHO DIVISIONAL EDUCATION COUNCIL

Statement of Council Operations and Financial Position (Non-Consolidated)

Schedule E-1

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Government of the NWT			
ECE regular contributions	$ 14,229,000	$ 14,449,482	$ 14,533,006
Teaching and learnings centers, pg 11	73,000	73,000	73,000
French language instruction, pg 10	55,000	50,000	50,000
ECE other contributions, Note 33	-	183,986	10,000
	14,357,000	14,756,468	14,666,006
GNWT - other contributions	330,000	402,038	358,220
Government of Canada contributions	-	103,534	214,870
Self-Generated Funds			
Rentals	36,000	25,460	29,000
Investment income	15,000	20,293	18,737
Contract and other	137,000	118,098	285,119
	188,000	163,851	332,856
	14,875,000	15,425,891	15,571,952
Expenditure			
School programs	8,558,748	8,218,824	9,263,370
Inclusive schooling	2,441,803	2,681,648	3,433,420
Student accommodations	-	237,260	200,847
Operations and maintenance	818,955	774,138	784,682
Council administration	1,164,907	930,438	1,124,995
Aboriginal languages	1,420,813	971,984	1,220,030
	14,405,226	13,814,292	16,027,344
Excess of Revenue over Expenditure before other items	$ 469,774	$ 1,611,599	$ (455,392)
Other Items:			
Post-employment benefit recovery (expense), Note 17		(3,028)	(387,546)
Payroll Expenses, Note 17		-	(902,383)
Excess (Deficiency) of Revenue over Expenditure		$ 1,608,571	$ (1,745,321)
Accumulated surplus (deficit), beginning of year		(1,859,472)	(114,151)
Accumulated surplus (deficit), end of year		$ (250,901)	$ (1,859,472)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Details of Council Expenses (Non-Consolidated)

Schedule E-2

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	2017 Total	2017 Budget	*2016 Total
Salaries									
Teachers' salaries	$ 6,140,335	$ 908,800	$ -	$ -	$ -	$ -	$ 7,049,135	$ 7,980,776	$ 8,062,925
Instruction Assistant	-	1,270,029	-	-	-	698,909	1,968,938	1,384,176	2,326,767
Non Instructional Staff	663,731	319,326	-	700,405	650,762	75,000	2,409,224	2,406,279	2,761,743
Board/Trustee Honoraria	-	-	-	-	17,025	8,750	25,775	66,000	21,375
	6,804,066	2,498,155	-	700,405	667,787	782,659	11,453,072	11,837,231	13,172,810
Employee Benefits									
Employee benefits and allowances	126,024	45,269	-	12,948	13,627	15,671	213,539	236,000	302,473
Leave and termination	179,963	92,708	-	-	-	94,219	366,890	550,929	619,855
	305,987	137,977	-	12,948	13,627	109,890	580,429	786,929	922,328
Services Purchased/Contracted									
Professional/Technical Services	-	-	-	-	25,533	-	25,533	55,000	28,665
Postage/Communication	46,167	-	-	-	43,155	-	89,322	68,000	104,645
Utilities	-	-	2,897	41,821	-	-	44,718	-	32,896
Travel	202,115	14,302	33,308	-	66,373	3,300	319,398	546,000	413,153
Student Travel (Bussing)	53,622	-	-	-	-	-	53,622	165,000	54,262
Advertising/Printing/Publishing	16,797	-	-	-	-	9,290	26,087	21,000	35,289
Maintenance/Repair	-	-	-	-	22,936	-	22,936	20,000	26,491
Rentals/Leases	24,674	-	-	13,200	9,650	1,580	49,104	102,272	62,339
Other - Student Awards	-	-	-	-	30,110	-	30,110	-	29,247
Other - Contracted Services	-	11,285	171,166	5,764	-	-	188,215	233,500	176,156
Other - School Programs	-	-	-	-	6,487	-	6,487	-	-
Other - Miscellaneous	-	-	-	-	6,436	-	6,436	-	9,319
	343,375	25,587	207,371	60,785	210,680	14,170	861,968	1,210,772	972,462
Materials, Supplies and Freight									
Materials	542,661	19,929	29,478	-	38,344	65,019	695,431	526,794	718,844
Freight	14,586	-	411	-	-	246	15,243	43,500	31,651
	557,247	19,929	29,889	-	38,344	65,265	710,674	570,294	750,495
Contributions and Transfers									
Transfers to DEA	208,149	-	-	-	-	-	208,149	-	209,249
Amortization	-	-	-	-	-	-	-	-	-
Total	$ 8,218,824	$ 2,681,648	$ 237,260	$ 774,138	$ 930,438	$ 971,984	$ 13,814,292	$ 14,405,226	$ 16,027,344

* Reclassified for comparative purposes

DEHCHO DIVISIONAL EDUCATION COUNCIL

District Education Authority Operations Summary
Non-Consolidated
For the year ended June 30, 2017

Schedule F-1

	Fort Simpson	Fort Providence	Fort Liard	Jean Marie River	Wrigley	Nahanni Butte	Trout Lake	Kakisa Lake	Total
Revenue									
Operating contributions from Divisional Council	$ 50,442	$ 45,862	$ 28,533	$ 15,725	$ 18,645	$ 16,152	$ 17,061	$ 15,729	$ 208,149
Other contributions from Divisional Council	37,320	258,279	47,781	21,322	5,000	-	12,422	1,353	383,477
Contributions from GNWT	4,330	40,500	-	-	-	-	-	-	44,830
Self-generated funds	90,978	24,229	-	-	22,810	-	1,125	6,520	145,662
	183,070	368,870	76,314	37,047	46,455	16,152	30,608	23,602	782,118
Expenditure									
Administration	72,714	29,108	10,532	8,426	4,369	2,104	13,646	11,958	152,857
School programs	108,672	248,658	23,542	19,077	34,584	14,864	1,077	14,246	464,720
Inclusive schooling	-	-	-	-	-	-	-	-	-
Student accommodations	-	-	-	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-	6,129	-	6,129
Aboriginal language/cultural programs	20,831	40,081	18,589	4,640	-	-	2,963	5,997	93,101
	202,217	317,847	52,663	32,143	38,953	16,968	23,815	32,201	716,807
Excess (Deficiency) of Revenue over Expenditure	(19,147)	51,023	23,651	4,904	7,502	(816)	6,793	(8,599)	65,311
Accumulated surplus, beginning of year	62,487	47,427	6,756	7,864	56,946	22,711	2,107	12,613	218,911
Accumulated surplus, end of year	$ 43,340	$ 98,450	$ 30,407	$ 12,768	$ 64,448	$ 21,895	$ 8,900	$ 4,014	$ 284,222
Composition of Ending Accumulated Surplus									
Cash	$ 48,978	$ 98,450	$ 30,684	$ 12,768	$ 64,448	$ 22,855	$ 8,900	$ 4,014	$ 291,097
Accounts receivable	500	-	-	-	-	-	-	-	500
Accounts payable	(6,138)	-	(277)	-	-	(960)	-	-	(7,375)
	$ 43,340	$ 98,450	$ 30,407	$ 12,768	$ 64,448	$ 21,895	$ 8,900	$ 4,014	$ 284,222

DEHCHO DIVISIONAL EDUCATION COUNCIL

Details of DEA Expenses Summary
Non-Consolidated
For the year ended June 30, 2017

Schedule F-2

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ 1,157	$ -	$ -	$ -	$ -	$ -	$ 1,157
Instruction Assistant	61,419	-	-	-	-	-	61,419
Non-instructional Staff	114,610	-	-	6,129	21,305	52,082	194,126
Board/Trustee Honorarium	-	-	-	-	31,928	-	31,928
	177,186	-	-	6,129	53,233	52,082	288,630
Employee Benefits							
Employee Benefits and Allowances	26,655	-	-	-	-	-	26,655
Leave and Termination	-	-	-	-	-	-	-
	26,655	-	-	-	-	-	26,655
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,600	-	1,600
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	779	-	779
Travel	-	-	-	-	37,203	590	37,793
Student Travel (Bussing)	24,753	-	-	-	-	-	24,753
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	4,699	-	4,699
Rentals/Leases	-	-	-	-	-	3,500	3,500
Other - Student Awards	6,746	-	-	-	400	-	7,146
Other - Contracted Services	-	-	-	-	7,073	-	7,073
Other - School Programs	159,385	-	-	-	-	-	159,385
	190,884	-	-	-	51,754	4,090	246,728
Materials/Supplies/Freight							
Materials	69,995	-	-	-	47,670	36,929	154,594
Freight	-	-	-	-	200	-	200
	69,995	-	-	-	47,870	36,929	154,794
Total	$ 464,720	$ -	$ -	$ 6,129	$ 152,857	$ 93,101	716,807

FORT SIMPSON

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenues			
Contributions from Divisional Council	$ 50,442	$ 50,442	$ 51,102
Other - Dehcho DEC	-	37,320	45,772
Other - Contributions from GNWT	-	4,330	36,393
Other	-	90,978	126,508
	50,442	183,070	259,775
Expenses			
Administration	12,500	72,714	114,541
School programs	33,942	108,672	165,458
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	1,344
Aboriginal language/cultural programs	4,000	20,831	24,237
	$ 50,442	202,217	305,580
Surplus (Deficit)	-	(19,147)	(45,805)
Opening equity		62,487	108,292
Closing equity		$ 43,340	$ 62,487
Composition of Closing Equity			
Cash		$ 48,978	$ 54,354
Accounts receivable		500	8,133
Accounts payable		(6,138)	-
		$ 43,340	$ 62,487

FORT SIMPSON

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	61,419	-	-	-	-	-	61,419
Non Instructional Staff	-	-	-	-	2,691	9,201	11,892
Board/Trustee Honoraria	-	-	-	-	4,318	-	4,318
	61,419	-	-	-	7,009	9,201	77,629
Employee Benefits							
Employee Benefits/Allowances	1,920	-	-	-	-	-	1,920
Leave and Termination Benfits	-	-	-	-	-	-	-
	1,920	-	-	-	-	-	1,920
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	36,148	-	36,148
Student Travel (Bussing)	24,377	-	-	-	-	-	24,377
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	4,699	-	4,699
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	3,595	-	-	-	-	-	3,595
Other - Contracted Services	-	-	-	-	5,223	-	5,223
Other - School Programs	9,330	-	-	-	-	-	9,330
	37,302	-	-	-	46,070	-	83,372
Materials/Supplies/Freight							
Materials	8,031	-	-	-	19,635	11,630	39,296
Freight	-	-	-	-	-	-	-
	8,031	-	-	-	19,635	11,630	39,296
Total	$ 108,672	$ -	$ -	$ -	$ 72,714	$ 20,831	$ 202,217

FORT PROVIDENCE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ 45,862	$ 45,862	$ 47,017
Other - Dehcho DEC	-	258,279	342,757
Other - Contributions from GNWT	-	40,500	38,300
Other	-	24,229	44,674
	45,862	368,870	472,748
Expenses			
Administration	21,275	29,108	91,659
School programs	22,587	248,658	337,218
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	40,081	20,352
	45,862	317,847	449,229
Surplus (Deficit)	-	51,023	23,519
Opening equity		47,427	23,908
Closing equity		$ 98,450	$ 47,427
Composition of Closing Equity			
Cash		$ 98,450	$ 47,427
Accounts receivable		-	-
Accounts payable		-	-
		$ 98,450	$ 47,427

FORT PROVIDENCE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ 1,157	$ -	$ -	$ -	$ -	$ -	$ 1,157
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	114,493	-	-	-	4,790	20,660	139,943
Board/Trustee Honoraria	-	-	-	-	5,642	-	5,642
	115,650	-	-	-	10,432	20,660	146,742
Employee Benefits							
Employee Benefits/Allowances	24,735	-	-	-	-	-	24,735
Leave and Termination Benfits	-	-	-	-	-	-	-
	24,735	-	-	-	-	-	24,735
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	779	-	779
Travel	-	-	-	-	846	-	846
Student Travel (Bussing)	376	-	-	-	-	-	376
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	3,500	3,500
Other - Awards/Gifts	2,320	-	-	-	400	-	2,720
Other - Contracted Services	-	-	-	-	532	-	532
Other - School Programs	63,923	-	-	-	-	-	63,923
	66,619	-	-	-	2,557	3,500	72,676
Materials/Supplies/Freight							
Materials	41,654	-	-	-	16,119	15,921	73,694
Freight	-	-	-	-	-	-	-
	41,654	-	-	-	16,119	15,921	73,694
Total	$ 248,658	$ -	$ -	$ -	$ 29,108	$ 40,081	$ 317,847

FORT LIARD

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ 28,533	$ 28,533	$ 27,158
Other - Dehcho DEC	-	47,781	46,260
Other - Contributions from GNWT	-	-	36,733
Other	-	-	9,143
	28,533	76,314	119,294
Expenses			
Administration	9,250	10,532	25,212
School programs	17,283	23,542	87,769
Inclusive Schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	18,589	22,620
	28,533	52,663	135,601
Surplus (Deficit)	-	23,651	(16,307)
Opening equity		6,756	23,063
Closing equity		$ 30,407	$ 6,756
Composition of Closing Equity			
Cash		$ 30,684	$ 3,873
Accounts receivable		-	2,883
Accounts payable		(277)	-
		30,407	6,756

FORT LIARD

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	117	-	-	-	-	13,263	13,380
Board/Trustee Honoraria	-	-	-	-	4,952	-	4,952
	117	-	-	-	4,952	13,263	18,332
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-		-		-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	163	-	163
Other - Local Programs	4,827	-	-		-	-	4,827
	4,827	-	-	-	163	-	4,990
Materials/Supplies/Freight							
Materials	18,598	-	-	-	5,217	5,326	29,141
Freight	-	-	-	-	200	-	200
	18,598	-	-	-	5,417	5,326	29,341
Total	$ 23,542	$ -	$ -	$ -	$ 10,532	$ 18,589	$ 52,663

JEAN MARIE RIVER

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenues			
Contributions from Divisional Council	$ 15,725	$ 15,725	$ 15,945
Other - Dehcho DEC	-	21,322	7,980
Other - Contributions from GNWT	-	-	-
Other	-	-	9,097
	15,725	37,047	33,022
Expenses			
Administration	10,950	8,426	14,926
School programs	2,775	19,077	25,898
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	4,640	7,378
	$ 15,725	32,143	48,202
Surplus (Deficit)	-	4,904	(15,180)
Opening equity		7,864	23,044
Closing equity		$ 12,768	$ 7,864
Composition of Closing Equity			
Cash		$ 12,768	$ 7,864
Accounts receivable		-	-
Accounts payable		-	-
		12,768	7,864

JEAN MARIE RIVER

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	4,165	3,650	7,815
Board/Trustee Honoraria	-	-	-	-	3,385	-	3,385
	-	-	-	-	7,550	3,650	11,200
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benfits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	590	590
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	831	-	-	-	-	-	831
Other - Contracted Services	-	-	-	-	314	-	314
Other - School Programs	17,611	-	-	-	-	-	17,611
	18,442	-	-	-	314	590	19,346
Materials/Supplies/Freight							
Materials	635	-	-	-	562	400	1,597
Freight	-	-	-	-	-	-	-
	635	-	-	-	562	400	1,597
Total	$ 19,077	$ -	$ -	$ -	$ 8,426	$ 4,640	$ 32,143

WRIGLEY

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ 18,645	$ 18,645	$ 18,425
Other - Deh Cho DEC	-	5,000	11,430
Other - Contributions from GNWT	-	-	-
Other	-	22,810	13,868
	18,645	46,455	43,723
Expenses			
Administration	12,050	4,369	3,405
School programs	4,595	34,584	28,268
Inclusive schooling	-	-	-
Student Accomodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	-	-
	18,645	38,953	31,673
Surplus (Deficit)	-	7,502	12,050
Opening equity		56,946	44,896
Closing equity		$ 64,448	$ 56,946
Composition of Closing Equity			
Cash		$ 64,448	$ 56,946
Accounts receivable		-	-
Accounts payable		-	-
		$ 64,448	$ 56,946

WRIGLEY

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	2,450	-	2,450
	-	-	-	-	2,450	-	2,450
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benfits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,600	-	1,600
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	319	-	319
Other - Local Programs	34,584	-	-	-	-	-	34,584
	34,584	-	-	-	1,919	-	36,503
Materials/Supplies/Freight							
Materials	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	$ 34,584	$ -	$ -	$ -	$ 4,369	$ -	$ 38,953

NAHANNI BUTTE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenues			
Contributions from Divisional Council	$ 16,152	$ 16,152	$ 16,152
Other - Dehcho DEC	-	-	7,900
Other - Contributions from GNWT	-	-	-
Other	-	-	-
	16,152	16,152	24,052
Expenses			
Administration	10,950	2,104	4,408
School programs	3,202	14,864	21,451
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	-	-
	16,152	16,968	25,859
Surplus (Deficit)	-	(816)	(1,807)
Opening equity		22,711	24,518
Closing equity		$ 21,895	$ 22,711
Composition of Closing Equity			
Cash		$ 22,855	$ 22,711
Accounts receivable		-	-
Accounts payable		(960)	-
		$ 21,895	$ 22,711

NAHANNI BUTTE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	1,850	-	1,850
	-	-	-	-	1,850	-	1,850
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benfits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	254	-	254
Other - School Programs	14,864	-	-	-	-	-	14,864
	14,864	-	-	-	254	-	15,118
Materials/Supplies/Freight							
Materials	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	$ 14,864	$ -	$ -	$ -	$ 2,104	$ -	$ 16,968

TROUT LAKE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ 17,061	$ 17,061	$ 16,951
Other - Dehcho DEC	-	12,422	5,909
Other - Contributions from GNWT	-	-	-
Other	-	1,125	-
	17,061	30,608	22,860
Expenses			
Administration	10,950	13,646	9,642
School programs	4,111	1,077	4,122
Inclusive schooling	-	-	-
Student Accomodations	-	-	-
Operations and maintenance	-	6,129	7,242
Aboriginal language/cultural programs	2,000	2,963	-
	17,061	23,815	21,006
Surplus (Deficit)	-	6,793	1,854
Opening equity		2,107	253
Closing equity		$ 8,900	$ 2,107
Composition of Closing Equity			
Cash		$ 8,900	$ 2,107
Accounts receivable		-	-
Accounts payable		-	-
		$ 8,900	$ 2,107

TROUT LAKE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	6,129	4,759	2,963	13,851
Board/Trustee Honoraria	-	-	-	-	5,871	-	5,871
	-	-	-	6,129	10,630	2,963	19,722
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benfits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	167	-	167
Other - Local Programs	-	-	-	-	-	-	-
	-	-	-	-	167	-	167
Materials/Supplies/Freight							
Materials	1,077	-	-	-	2,849	-	3,926
Freight	-	-	-	-	-	-	-
	1,077	-	-	-	2,849	-	3,926
Total	$ 1,077	$ -	$ -	$ 6,129	$ 13,646	$ 2,963	$ 23,815

KAKISA LAKE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenues			
Contributions from Divisional Council	$ 15,729	$ 15,729	$ 15,399
Other - Dehcho DEC	-	1,353	3,576
Other - Contributions from GNWT	-	-	-
Other	-	6,520	-
	15,729	23,602	18,975
Expenditure			
Administration	10,950	11,958	10,989
School programs	2,779	14,246	8,655
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	3,589
Aboriginal language/cultural programs	2,000	5,997	29,796
	$ 15,729	32,201	53,029
Surplus (Deficit)	-	(8,599)	(34,054)
Opening equity		12,613	46,667
Closing equity		$ 4,014	$ 12,613
Composition of Closing Equity			
Cash		$ 4,014	$ 12,613
Accounts receivable		-	-
Accounts payable		-	-
		$ 4,014	$ 12,613

KAKISA LAKE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	4,900	2,345	7,245
Board/Trustee Honoraria	-	-	-	-	3,460	-	3,460
	-	-	-	-	8,360	2,345	10,705
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	209	-	209
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-		-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	101	-	101
Other - School Programs	14,246	-	-	-	-	-	14,246
	14,246	-	-	-	310	-	14,556
Materials/Supplies/Freight							
Materials	-	-	-	-	3,288	3,652	6,940
Freight	-	-	-	-	-	-	-
	-	-	-	-	3,288	3,652	6,940
Total	$ 14,246	$ -	$ -	$ -	$ 11,958	$ 5,997	$ 32,201

Dettah District Education Authority

Consolidated Financial Statements

June 30, 2017

Dettah District Education Authority

Consolidated Financial Statements

June 30, 2017 **Page**

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Management Discussion and Analysis

Introduction

Dettah District Education Authority Administration:

Metro Huculak – Superintendent of Yellowknife Educational District #1
Lea Lamoureux – Principal of Kaw Tay Whee School
Sally Ann Drygeese - Administration/Educational Assistant

Current DEA Members:

Rebecca Plotner – Chairperson
James Sanderson – Vice-Chairperson
Beatrice Sangris – Member
Mary Laurie Tobie – Member
Tina Crookedhand – Member
Angela Lafferty – Member
Eileen Drygeese – Member

Acknowledgements:

The Dettah District Education Authority acknowledges the preparation of the Annual Management Discussion and Analysis as a go-forward responsibility of school management/administration and the Board Members to promote transparency and accountability.

Vision Statement:

"To create a safe learning environment where students can develop both academic and traditional skills as they become community leaders."

Mission Statement:

"We believe in working together to create a thriving community through education, culture and pride."

Core Strategies:

- Develop, build, and maintain strong and respectful working relationships between the Dettah District Education Authority and Kaw Tay Whee School management/administration and staff to best serve students and families

- Provide daily instruction in the Wiiliideh language and frequent opportunities for students to learn traditional ways of the community

- Recruit, train, and retain high quality, and highly qualified teaching and support staff to best serve current and future students

- Support school staff team to provide a whole-child educational experience and to provide a "wrap-around" services model to better support families in the community

- Actively engage in ensuring that students from the community from junior kindergarten to grade twelve attend and engage in educational opportunities; and work with extended families to promote the importance of school attendance and graduation

- Offer opportunities for pre-school aged children (0-5) to be involved in the wider life of the school to ease the transition when it is time for these children to register for school

- Support school management in their advocacy for services to be offered in the community school so as to ease challenges with system navigability; including but not limited to health services

- Plan for the future of a healthy thriving school and the possible provision of needed early intervention by networking and supporting new families and new parents

- Carefully ensure maximum fiscal responsibility to best meet the specific needs of students in out school

- Support school staff team in their quest to provide ample opportunities for students to have a wide variety of learning experiences so as to broaden their general knowledge base, and have a positive impact on personal health, well being, confidence, and strong personal cultural identity

Active Committees:

The Dettah District Education Authority has two main committees, comprised of the hiring committee and the finance committee. Each committee has two members, and the chairperson is also automatically added to each committee.

As a core value of the Dettah District Education Authority is collaboration and partnership with the school administration, the committees meet on an as-needed basis, and conduct business in collaboration with school management/administration.

School Staff Equivalents:

In 2016-2017, the FTE enrolment of Kaw Tay Whee School was 28.0 students from junior kindergarten to grade 9. The total enrolment of Dettah students in all schools up to grade 12 was 48.0.

The school was split into three classrooms to accommodate this number of grade levels and student needs. The Multi-Age-Grouped classrooms were grouped as junior kindergarten and kindergarten, grades one to three, grades three to five, and grades six to eight.

The school employed 3.0 full time teachers, 1.0 language teacher/EA, and 1.0 principal/PST/teacher.

When considering school population and staffing, it is important to note that the principal/PST/teacher position includes a variety of responsibilities, not normally required in this role, due to the unique position of the Dettah District Education Authority. The Dettah District Education Authority contracts superintendency services from Yellowknife Education District Number One.

- The DDEA is site-based-managed for funding, and is also independently audited. The day-to-day responsibilities and management of these tasks is part of the principal's job; as are any responsibilities that are designated to him/her by the DEA Chair.

- The principal is responsible for working with contractors, the GNWT, and many other bodies directly, as opposed to being filtered through school-board level coordinators. The principal is also responsible for the complete Operating Plan (Accountability Framework) and the Inclusive Schooling Compliance Tool.

Operating Environment

Strengths and Opportunities:

- Consistently positive working relationship between Dettah District Education Authority and Kaw Tay Whee School Staff; maximizing the potential for a positive learning environment for students and support for families

- An increase in the amount and quality of instruction in the local Wiiliideh language, by a caring, and qualified individual from the community

- An increase in grades offered over the past several years, to now encompass junior kindergarten to grade eight; therefore maximizing potential for students to access high quality learning in the home community, and ensuring that there are no barriers with transportation if a student is late. This year, the school has offered grade nine to students following IEPs.

- Over the past nine years, the school and school staff have received many accolades and awards; including the Prime Minister's Award for Teaching Excellence Certificate of Achievement, and a Canada's Outstanding Principal award; attesting to the change in student achievment, and attendance,

- The Dettah District Education Authority and school management have carefully managed funds to ensure that a small surplus is available for the future, should enrollment change due to moving or a low birth year

Challenges and Threats:

- This year our DEA encountered a large financial challenge as three of our staff accessed maternity and parental leave; this was unexpected and resulted in a large impact on our budget; as did hiring replacements for these staff members

- As in years past; due to large families moving away from Dettah, or a low birth year in the community, school enrollment can be volatile and unpredictable from year to year;

thus providing a challenge for the number of grades offered in one room, and in providing assistance for those students requiring one-on-one support. In order to minimize threat, as school funding changes, the DDEA has ensured a small surplus to attempt to maintain the integrity of school programming and staff allocations.

Financial Condition

The Authority's financial assets increased from $444,509 to $500,377. This year the net financial assets (financial assets less liabilities) were $279,828 compared to $193,657 in the prior year indicating a stronger financial position.

The Authority had an operating surplus of $86,171 for the year compared to an operating deficit of $160,265 in the prior year. The 2016-17 surplus can be attributed to the decrease in spending on wages and benefits due to two employees being on maternity leave as well as a reduction in transfer costs as there were fewer transfer students than in prior years. The accumulated surplus at year end is $279,828.

Accounts payable and accrued liabilities have increased from $41,650 to $49,191 due to increased amounts owing on the Authority's VISA at year end.

The Yellowknife Education District #1 Payable decreased from $208,260 to $139,594. The decrease is due to the Authority having less staff on payroll in 2017 compared to the prior year as a result of the two employees on maternity leave.

Dettah DEA received 97% (2016 - 97%) of its funding from the GNWT. The core funding decreased from $1,502,590 to $1,373,283 in the current year. Other revenue in the current year mainly consists of donations from Dominion Diamond Corporation of $25,000.

Summary and Outlook

Achievements and Successes:

- Students in need of speech support has continued to grow; yet students received one-on-one support on a daily basis to improve their skills
- School staff remained consistent; with over 50% of employees being employed at the school for five years or longer; with most staff on maternity leave or covering maternity leave returning for the 2017-2018 school year
- Attendance of community members and family members at school events continued to increase

Top Priority Challenges for the Coming Year:

- As in years past, due to a high number of families moving out of Dettah, and several students beginning grade 9, student enrollment is projected to potentially decrease for the 2017-2018 school year; thus potentially having a financial impact on the funding allocations for the 2018-2019 school year

- In order to minimize the impact on school programming, and experiences, school management will continue to work with outside stakeholders and partners to provide opportunities for students without impacting current allocations

Management's Responsibility for Financial Reporting

To the Minister of Education, Culture and Employment
Government of Northwest Territories
and
To the Members of Dettah District Education Authority

The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Dettah District Education Authority (the "Authority") in all material respects and in accordance with Canadian public sector accounting standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Education Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the *Education Act*, *Financial Administration Act*, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation except payroll paid by Yellowknife Education District #1. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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 (ECE) of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Authority

Chairperson
Dettah District Education Authority

Principal
Dettah District Education Authority

September 19, 2017

Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report

To the Minister of Education, Culture and Employment
Government of Northwest Territories
and
To the Members of Dettah District Education Authority

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Dettah District Education Authority (the "Authority") which comprise the consolidated statement of financial position as at June 30, 2017 and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of consolidated 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 consolidated 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 whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Basis for Qualified Opinion
The Yellowknife Education District #1 is responsible for the calculation and distribution of the salaries and wages to indeterminate and term employees. Our audit scope was limited, as we did not audit the components of wages and salaries expenditures. Accordingly, we are not able to determine whether any adjustments might be necessary to wages and salaries expenditures, liabilities and net financial assets.

Qualified Opinion
In our opinion, except for the effects of adjustments, if any, of the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Authority as at June 30, 2017, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements
We report further, 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.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 21, 2017

Chartered Professional Accountants

Dettah District Education Authority

Consolidated Statement of Financial Position

As at June 30,	2017	2016
Financial Assets		
Cash and cash equivalents (Note 4)	**$ 500,377**	$ 444,509
Liabilities		
Accounts payable and accrued liabilities (Note 10)	49,191	41,650
Payroll liabilities (Note 10)	3,082	943
Leave and termination benefit (Note 17)	28,682	-
Due to Yellowknife Education District #1 (Note 26)	139,594	208,260
	220,549	250,853
Net Financial Assets and Accumulated Surplus	**$ 279,828**	$ 193,657

Contractual obligations and contingencies (Note 24 and 25)

Approved on behalf of the Authority

_____ **Chairperson**

_____ **Principal**

Dettah District Education Authority

Consolidated Statement of Operations

For the year ended June 30,	2017 Budget (unaudited)	2017 Actual	2016 Actual
Revenues			
Government of the NWT			
ECE Regular Contributions	$ 1,357,400	$ 1,373,283	$ 1,501,126
ECE Other Contributions (Note 33)		3,167	1,464
Total ECE	1,357,400	1,376,450	1,502,590
MACA Other Contributions (Note 34)	-	15,300	-
Total GNWT	1,357,400	1,391,750	1,502,590
Education Body Generated Funds			
Donations	-	36,974	32,780
Investment Income	-	518	619
Yellowknife Education District #1	-	-	17,300
Total Generated Funds	-	37,492	50,699
Total Revenues	**$ 1,357,400**	**$ 1,429,242**	$ 1,553,289
Expenditures			
Administration (Schedule 1)	91,850	144,558	102,380
School Programs (Schedule 1)	744,794	879,920	1,198,587
Inclusive Schooling (Schedules 1 and 3)	344,627	142,236	254,389
Operations and Maintenance (Schedule 1)	-	33,149	39,307
Aboriginal Languages (Schedules 1 and 2)	175,061	143,208	118,891
	$ 1,356,332	**$ 1,343,071**	$ 1,713,554
Operating Surplus (deficit) before other items	**1,068**	**86,171**	(160,265)
Other Items			
Grant in-kind - Assets provided at no cost (Note 23)	-	**42,111**	**42,111**
Rent expense - Assets provided at no cost (Note 23)	-	**(42,111)**	**(42,111)**
Operating Surplus (deficit)	**1,068**	**86,171**	(160,265)
Opening Accumulated Surplus	**193,657**	**193,657**	353,922
Closing Accumulated Surplus	**$ 194,725**	**$ 279,828**	$ 193,657

Dettah District Education Authority

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,	2015	2016
Operating surplus (deficit)	$ 86,171	$ (160,265)
Net financial assets, beginning of year	193,657	353,922
Net financial assets, end of year	$ 279,828	$ 193,657

Dettah District Education Authority

Consolidated Statement of Cash Flows

For the year ended June 30,	2017	2016
Cash provided by (used in):		
Operating transactions		
Operating surplus (deficit)	$ 86,171	$ (160,265)
Changes in non-cash assets and liabilities		
Decrease (increase) accounts receivable	-	25,363
Increase (decrease) accounts payable and accrued liabilities	7,541	10,928
Increase (decrease) payroll liabilities	2,140	10,930
Increase (decrease) due to Yellowknife District Education #1	(68,666)	(10,946)
Increase (decrease) post-employment benefits	28,682	-
	(30,303)	**36,275**
Cash used for operating transactions	**55,868**	(134,920)
Decrease in cash and cash equivalents	**55,868**	(134,920)
Cash and cash equivalents at beginning of year	**444,509**	579,429
Cash and cash equivalents at end of year (Note 4)	$ **500,377**	$ 444,509

1. Nature of Operations

The Dettah District Education Authority (the "Authority") was established under the *Education Act* of the Government of the Northwest Territories ("GNWT") 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. A full range of instructional programs ranging from kindergarten through grade 12 is offered by the Authority.

The Authority 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.

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the Authority includes all aspects of operation and management. The Authority is the lowest (and sole) level of government exercising oversight responsibility.

The Authority is a public body performing a function of government in Canada. Paragraph 149(1)(c) of the *Income Tax Act* provides that a public body performing the function of government in Canada is exempt from taxation.

2. Significant Accounting Policies

(a) Basis of accounting

The consolidated financial statements of the the Authority have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in the management's opinion, been properly prepared within reasonable limits of materiality.

The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the consolidated financial statements. The accrual basis of accounting is utilized for all funds. Under the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques.

2. Significant Accounting Policies (continued)

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arms's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets measured at amortized cost include cash and cash equivalents.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, payroll liabilities and amounts due to Yellowknife Education District #1.

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

(d) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(e) Tangible capital assets

The Authority does not carry any tangible capital assets. All tangible capital assets used by the Authority are purchased by and remain the property of the GNWT. The Minister grants to the Education Body the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. Tangible capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Tangible capital assets with a value of less than $50,000 are recorded as a current expenditure.

2. Significant Accounting Policies (continued)

(f) Revenue Recognition

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.

GNWT regular contributions

The regular contributions from the 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 GNWT. The contribution revenue is recognized when received or receivable.

Other contributions

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

Other revenue is recorded as the service is provided and receipt is reasonably assured.

Deferred revenue

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

Investment income

Investment income is recognized when received or receivable, if the amount can be reasonably estimated.

Donations

Donations are recognized in the period they are received.

2. Significant Accounting Policies (continued)

(g) Budget Data

The *Education Act* of the Northwest Territories requires that Boards of Education prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees of the Authority and the budget is legally adopted by a motion of the Board in accordance with Section 135(3) of the *Education Act.*

Board approved budgets are submitted to the Minister of Education, Culture, and Employment for final approval as directed by Sections 117(2) k, l and m of the *Education Act.*

This annual budget includes estimates of revenue and expenditures and the net operating surplus (deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Authority.

The budget may be amended within a given fiscal year in accordance with the Authority's policy, regulations and approved budget procedures. The budget data presented in the financial statements reflects the Minister approved budget for the school year. The budget has not been audited.

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards, 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 consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Authority are treated as expenditures during the year of acquisition and are not recorded on the statement of financial position.

(j) Payroll Liabilities

Teacher payrolls for July and August are accrued.

2. Significant Accounting Policies (continued)

(k) Post-employment Benefits, Compensated Absences and Termination Benefits

Under the terms and conditions of employment, education board employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternal and parental leave) has been prepared using data provided by management and assumption based on management's best estimates.

(l) Special Purpose Funds

School activity funds which are fully controlled by the Authority with respect to when and how the funds available can be disbursed are included. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefit. Examples might include planned student trips or funds specifically designated for the purchase of equipment or materials required to support an activity.

Student activity funds which are controlled by students or parties other than the Authority are not included even if custody of the funds is held by the Authority. Examples of excluded funds might be student clubs or associations for which the Authority has no ongoing responsibility of liability for losses.

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

This new Section defines a related party and establishes disclosures required for related party transactions.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Inter-entity transactions, Section PS 3420

This new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

3. Future Accounting Changes (continued)

Assets, Section PS 3210

This new Section provides guidance for applying the definition of assets and establishes general disclosure standards for assets. Disclosure information about the major categories of assets that are not recognized is required.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Contingent Assets, Section PS 3320

This new Section defines and establishes disclosure on contingent assets. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Contractual Rights, Section PS 3380

This new Section defines and establishes disclosure standards on contractual rights. Disclosure of the nature, extent, and timing or any contractual rights is required.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

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

This standard will establish how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative financial instruments. Governments should adopt Section PS 3450 in the same fiscal year Section PS 2601, Foreign Currency Translation, is adopted.

This Section is effective for fiscal periods beginning on or after April 1, 2019. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Restructuring Transactions, Section PS 3430

This new Section establishes standards on how to record assets, liabilities, revenues and expenses related to restructuring transactions as well as disclosure requirements for the recipient and transferor.

This Section applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Student Activity Funds

Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to be reported on the consolidated financial statements of the Authority in the future.

4. Cash and Cash Equivalents

	2017	2016
Cash and cash equivalents	**$ 500,377**	$ 444,509

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

The Authority does not have any portfolio investments.

8. Accounts Receivable

The Authority does not have any accounts receivable.

9. Inventory

The Authority does not record inventory as per note 2(i).

10. Accounts Payable and accrued liabilities

	2017	2016
Trade	$ 49,191	$ 41,650
Payroll liabilities	3,082	943
	$ 52,273	$ 42,593

11. Deferred Revenue

The Authority does not have any deferred revenue.

12. Contributions Repayable

The Authority does not have any contributions repayable.

13. Due From and To the Government of Canada

The Authority does not have amounts due from and due to the Government of Canada.

14. Capital Lease Obligations

The Authority does not have capital lease obligations.

15. Pensions

The Authority makes contributions to the Northern Employee Benefits (NEBS) Pension Plan, which is a multi-employer plan, on behalf of some members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to the NEBS pension was $79,256. The contributions are calculated at a rate of 8% of earning and allowances employee and employer contribution for a total of 16%. The maximum pensionable earnings is $165,077 for January 2017, and $163,715 for January 2016. The maximum monthly contributions is $2,914 for January 2017, and $2,182 for January 2016.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 2,600 Employee Members and 99 Employer Members (total active, disabled and on leave 1542).

As of January 1, 2017, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $18,500,000 - funded ratio 111% (2016 - $12,500,000 and 109%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $102,495,300 and a solvency ratio of 64%. Solvency is calculated for the purposes of determining obligations only in the event of a plan wrap up. Any potential deficiency in termination payments is guaranteed to be paid over the next 10 years or less, depending on the position of the fund. For the period ending December 31, 2016, the NEBS Pension plan had an accumulated surplus of $25,121,532.

As of April 2004, the OSFI has exempted NEBS from compliance with the Pension Benefits Standards Act (PBSA). On April 2015, the Legislative Assembly passed The Northern Employee Benefits Act (Bill 12) which was enacted October 1, 2015. NEBS is now operating under Bill 12.

16. Long-Term Debt

The Authority does not have long-term debt.

17. Other employee future benefits and compensated absences

In addition to the pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Authority's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits for all staff are accrued as employee render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Authority.

	Severance and Removal	Compensated absences	2017
Changes in Obligations			
Accrued benefit obligations	$ 16,282	$ 5,976	$ 22,258
Current period benefit cost	1,925	547	2,472
Interest accrued	528	185	713
Benefits payments	-	(1,463)	(1,463)
Plan amendments	-	337	337
Actuarial (gain)/loss	1,771	2,594	4,365
Accrued benefit obligations end of year	**20,506**	**8,176**	**28,682**
Unamortized net actuarial loss	(1,771)	(2,594)	(4,365)
Total employee future benefits and compensated absences	**18,735**	**5,582**	**24,317**
Benefit expenses	-	-	-
Current service costs	1,925	547	2,472
Interest costs	528	185	713
Plan amendments	-	337	337
Amortization of actuarial gains	**$ 2,453**	**$ 1,069**	**$ 3,522**

18. Trust Assets Under Administration

The Authority does not have trust assets under administration.

19. Tangible Capital Assets

The Authority does not have tangible capital assets.

20. Prepaid Expenses and Deposits

The Authority does not have prepaid expenses and deposits.

21. Accumulated Surplus/Deficit

	2017	2016
Operating surplus	**$ 279,828**	$ 193,657

22. Capital Advances

The Authority does not have capital advances.

23. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	**2017 Net Book Value**	2016 Net Book Value
Kaw Tay Whee	$ 895,327	$ 442,642	**$ 452,685**	$ 494,796

Rent expense of $42,111 (2016 - $42,111) was offset by a grant in-kind.

24. Contractual Obligations

The Authority does not have any contractual obligations.

25. Contingencies

The Authority does not have any contingencies.

26. Related Parties

The Authority is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Authority enters into transactions with these entities in the normal course of business. Transactions with related parties and balances at year-end not disclosed elsewhere in the financial statements are summarized in this note.

Due to Related Party

		2017		2016
Yellowknife Education District #1	**$**	**139,594**	$	208,260

Revenues from Related Parties

		2017		2016
GNWT - Department of Education, Cultural and Employment	$	1,376,450	$	1,502,590
GNWT - Department of Municipal and Community Affairs		15,300		-
Total Revenues from Related Parties	**$**	**1,391,750**	$	1,502,590

Expenses Paid to Related Parties

		2017		2016
Yellowknife Catholic Schools	$	217,120	$	271,189
Yellowknife Education District #1		77,590		43,490
Total Expenses Paid to Related Parties	**$**	**294,710**	$	314,679

27. Budget Data

The *Education Act* of the Northwest Territories requires that Education Bodies 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 Education Authority which includes the establishment of 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 Trustees of the Authority on **December 8, 2016** and have not been audited.

28.Economic Dependence

The Authority receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the Authority's operations would be significantly affected.

29.Financial Instruments

The Authority is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the Authority's financial instruments is provided by type of risk below. The Authority is exposed to credit and liquidity risks from the its financial instruments. Qualitative and quantitative analysis of the significant risks from the Authority's financial instruments is provided by type of risk below.

a) Credit risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments of interest and principal when due. The Authority is exposed to this risk relating to its cash and cash equivalents. The Authority holds its cash and cash equivalents in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Authority's cash in accounts are insured up to $100,000.

The Authority's maximum exposure to credit risk is represented by the financial assets balance for a total of $500,377 (2016 - $444,509).

b) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

The Authority's maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities, payroll liabilities and amounts due to Yellowknife Education District #1 for a total $191,867 (2016 - $250,853).

The financial assets including cash and cash equivalents. The financial liabilities including accounts payable and accrued liabilities, payroll liabilities and amounts due to Yellowknife Education District #1 mature within 6 months.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

30. Expenditures By Object

	2017 Budget	2017 Actual	2016 Actual
Compensation	$ 910,255	$ 884,769	$ 956,641
Materials and freight	83,547	71,425	155,659
Services purchased or contracted	362,530	386,877	601,254
	$ 1,356,332	**$ 1,343,071**	$ 1,713,554

31. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2017 and the audit report date.

32. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

33. ECE Other Contributions

	2017	2016
Government of the Northwest Territories - Department of Education, Culture and Employment		
Other	**$ 3,167**	$ 1,464

34. GNWT Other Contributions

	2017	2016
Government of the Northwest Territories		
Department of Municipal and Community Affairs	**$ 15,300**	$ -

Dettah District Education Authority

Schedule 1 - Consolidated Details of Expenditures

For the year ended June 30,	School Programs	Operations and Maintenance	Administration	Aboriginal Languages	Inclusive Schooling	Other	Total 2017	Budget 2017	Total 2016
							Total	Total	Total
Salaries									
Teachers	$ 387,979	$ -	$ 38,372	$ -	$ 113,932	$ -	$ 540,283	$ 704,806	$ 599,652
Instructional assistant	-	-	-	-	-	-	-	15,000	-
YK1 superintendent	-	-	27,500	-	-	-	27,500	-	29,750
Non-instructional staff	-	32,074	-	124,233	-	-	156,307	169,449	136,929
Board/Trustee honoraria	-	-	13,798	-	-	-	13,798	18,000	15,180
School secretary	-	-	-	-	-	-	-	-	22,826
Total salaries	387,979	32,074	79,670	124,233	113,932	-	737,888	907,255	804,337
Employee benefits									
Employee benefits and allowances	79,991	-	4,055	15,997	18,156	-	118,199	3,000	152,304
Leave and termination benefits	18,011	1,075	2,805	2,863	3,928	-	28,682	-	-
Total employee benefits	98,002	1,075	6,860	18,860	22,084	-	146,881	3,000	152,304
Services Purchased or Contracted									
Advertising	13,969	-	-	-	-	-	13,969	18,000	26,627
Art and physical education	-	-	-	115	-	-	115	-	-
Contracted services	217,120	-	31,588	-	-	-	248,708	17,000	403,499
Maintenance and upgrades	5,422	-	531	-	-	-	5,953	-	9,057
Other	20,632	-	25,838	-	-	-	46,470	196,450	60,908
Postage and communications	-	-	-	-	178	-	178	7,000	-
Professional and technical services	490	-	-	-	6,042	-	6,532	60,400	29,525
Student transportation (bussing)	64,952	-	-	-	-	-	64,952	63,680	71,638
Total Services Purchased or Contracted	322,585	-	57,957	115	6,220	-	386,877	362,530	601,254
Materials and Freight									
Freight	-	-	-	-	-	-	-	-	150
Materials	71,354	-	71	-	-	-	71,425	83,547	155,509
Total Materials and freight	71,354	-	71	-	-	-	71,425	83,547	155,659
Total Expenditures	**$ 879,920**	**$ 33,149**	**$ 144,558**	**$ 143,208**	**$ 142,236**	**$ -**	**$ 1,343,071**	$ 1,356,332	$ 1,713,554

Dettah District Education Authority

Schedule 2
Details of Aboriginal Language and Culture Program Expenditures

For the year ended June 30, **2017**

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Non-instructional staff	$ 124,233	$ -	$ -	$ -	$ 124,233
Employee Benefits					
Employee benefits and allowances	15,997	-	-	-	15,997
Leave and termination benefits	2,863	-	-	-	2,863
	18,860				18,860
Services Purchased or Contracted					
Art and physical education	115	-	-	-	115
Total	**$ 143,208**	**$ -**	**$ -**	**$ -**	**$ 143,208**

Dettah District Education Authority

Schedule 3
Details of Inclusive Schooling Expenditures

For the year ended June 30, **2017**

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	$ -	$ -	$ -	$ -	$ -	$ -	$ 113,932	$ 113,932
Employee Benefits								
Employee benefits and allowances	-	-	-	-	-	-	18,156	18,156
Leave and termination benefits	-	-	-	-	-	-	3,928	3,928
	-	-	-	-	-	-	22,084	22,084
Services Purchased or Contracted								
Professional and technical services	-	-	-	-	-	-	6,042	6,042
Postage and communications	-	-	-	-	-	-	178	178
							6,220	6,220
Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 142,236**	**$ 142,236**

Dettah District Education Authority

Schedule 4
Aboriginal Languages

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total
Revenue			
GNWT ECE funding	$ 92,280	$ 53,720	$ 146,000
Expenditures			
Salaries	92,632	31,601	124,233
Employee benefits	13,478	5,382	18,860
Services Purchased or Contracted	-	115	115
	106,110	37,098	143,208
Surplus	$ (13,830)	$ 16,622	$ 2,792

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Financial Statements

June 30, 2017

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Financial Statements

June 30, 2017 **Page**

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Management Discussion and Analysis
K'alemi Dene School
2016-17 School Year

Introduction
This Management Discussion and Analysis is prepared for the Ndilo District Education Authority (NDEA) to promote transparency and accountability.

The current NDEA board members are (May 2016 to May 2019):

Lila Erasmus	Chairperson
Rose Black	Vice Chairperson
Cecilie Beaulieu	Trustee
Muriel Betsina	Trustee
George Goulet	Trustee
Nyra Mackenzie	Trustee
Vacant Position	Trustee

The NDEA as a whole sits as the financial committee. The finances of the NDEA are managed and reviewed by the K'alemi Dene School (KDS) principal then sent to Crowe McKay for processing.

The NDEA contracts Metro Huculak, Yellowknife Education District No. 1's (YK1) Superintendent, to provide Superintendent services for KDS. All of the teaching staff, including teachers and educational assistants are employees of YK1. Superintendent Huculak's contract expired at the end of the 2016-17 school year. The NDEA will review the contract in September 2017.

Non-instructional staff are employees of the Yellowknives Dene First Nation (YKDFN).

During the 2016-17 school year, KDS was funded for 115 Full Time Enrolments (FTE) from Junior Kindergarten through Grade 12.

Operating Environment
Strengths – We are a small community school that serves students from Junior Kindergarten to Grade 12. We have a comprehensive culture program that includes a school Elder, Language Instructor and Indigenous Culture Coordinator. Students participate in twice weekly Wìlìideh Yatìì classes. As well, students have many opportunities to participate in culture experiences based on the seasonal Dene calendar such as: overnight canoe trips, trapping camps, berry picking and fishing with a net.

Weakness – As identified by the Early Development Instrument (https://edi.offordcentre.com), many of our students are beginning school with vulnerability in their development. This affects children's overall development including language and communication development, gross and fine motor skills and social-

emotional skills. All of the areas must be taken into consideration when planning for academic success.

As well, with an enrolment of 115 students, we are transporting just under 50% of our student population to KDS from Yellowknife. This proves challenging with the limited transportation budget provided by the Department of Education, Culture and Employment.

Opportunities – A number of opportunities are available including the possibility of providing daycare services, trades opportunities and dual credit arrangements.

Threats – Lack of sufficient space hinders opportunity for growth. In recent year we have renovated the activity room and computer room to make space for additional classrooms as our student population increases.

There are also a number of poverty, addictions and mental illness challenges facing our students and families. It is critical that interagency partnerships are established so that proactive support can be provided.

Financial Condition
The NDEA is currently managing a surplus. The surplus is being used for a number of initiatives to enhance literacy learning at KDS. It has also been used to enhance the playground.

The NDEA will sign a contract with YKDFN to provide financial and human resources support.

Summary and Outlook

Achievement & Success
Using our surplus funds, KDS hired a Literacy Coach for two school years. This position provided job embedded, professional development for teachers from Junior Kindergarten to Grade four. Out Literacy Coach also provided one-on-one reading support to our struggles readers.

The NDEA also used surplus funds to develop the outdoor play space in front of KDS. In 2016-17, work was started to create a fenced futsal field. This field gives KDS increase activity space and opportunities for physical development. The work will finish in 2017-18.

Challenges
Our school continues to operate at a high utilization rate. We lack the space for additional classrooms to provide additional services. For example, there is not a large enough space for our entire student population to gather for assemblies and other large functions. As well, we struggle to offer counseling and health services because we lack the confidential break out space.

YKDFN generously allows the school the use of the community gymnasium for physical education, which is not attached to the school. Unfortunately this gymnasium is small and is not meant for older students and large classes. It greatly affects the level physical activity that we are able to offer and it hinders students' physical development. Some of our Ndilo families choose to send their children to "uptown" schools for the physical education options that are available.

The NDEA has requested a meeting with the Dettah District Education Authority, however they have not responded to the request.

Sincerely,

Metro Huculak
Superintendent

Cc: Eileen Erasmus

Management Responsibility for Financial Reporting

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2017

The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of K'alemi Dene School ("the Authority") in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Authority as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the *Education Act*, *Financial Administration Act*, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Authority's Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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 (ECE) of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Authority

Metro Huculak **Superintendent**
Metro Huculak

September 15, 2017

Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report

To the Minister of Education, Culture and Employment
Government of Northwest Territories
and to the Members of K'alemi Dene School

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of K'alemi Dene School ("the Authority"), which comprise of the consolidated statement of financial position as at June 30, 2017, and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Authority as at June 30, 2017, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements
We report further, in accordance with the *Financial Administration Act*, in our opinion, proper books of account have been kept by the Authority, the consolidated 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.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 15, 2017

Chartered Professional Accountants

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2017	2016
Financial Assets		
Cash and cash equivalents (Note 4)	$ 1,307,886	$ 1,520,523
Portfolio investments (Note 7)	66,500	-
Due from Government of Canada (Note 13)	43,651	33,366
Accounts receivable (Note 8)	500	110,653
	1,418,537	1,664,542
Liabilities		
Accounts payable and accrued liabilities (Note 10)	74,362	2,753
Payroll Liabilities	623,740	984,402
Post-employment benefits (Note 17)	33,782	-
	731,884	987,155
Net Financial Assets	**$ 686,653**	$ 677,387
Non-Financial Assets		
Prepaid expenses (Note 20)	**4,982**	-
Accumulated Surplus	**$ 691,635**	$ 677,387
Represented By:		
Operating Fund	**$ 691,635**	$ 677,387

Contractual obligations and contingencies (Notes 24 and 25)

Approved on behalf of the Authority

Chairperson

Trustee

Cecilie Beaulieu

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Operations

For the year ended June 30,	2017 Budget (unaudited)	**2017 Actual**	2016 Actual
Revenues			
Government of the Northwest Territories (GNWT)			
ECE Regular contributions	$2,182,969	$2,391,000	$2,404,423
ECE Other contributions (Note 33)	-	12,320	3,125
Total ECE	-	**2,403,320**	2,407,548
GNWT Other contributions (Note 34)	-	27,300	36,298
Education body generated funds			
Donations	-	48,960	52,614
Fundraising	-	65,281	65,020
Recovery from YKDFN	-	118,046	-
	2,182,969	**2,662,907**	2,561,480
Expenditures - Schedule 1			
School programs	1,635,917	1,957,890	2,106,935
Inclusive schooling	510,066	436,102	493,114
Administration	85,000	28,428	158,314
Aboriginal languages	184,587	226,239	230,531
Operations and maintenance	15,000	-	-
	2,430,570	**2,648,659**	2,988,894
Operating surplus (deficit) before other items	(247,601)	**14,248**	(427,414)
Other items			
Grant in-kind - Tangible Capital Assets provided at no cost (Note 23)	-	226,653	226,653
Rent expense - Tangible Capital Assets provided at no cost (Note 23)	-	(226,653)	(226,653)
	-	-	-
Operating surplus (deficit)	(247,601)	**14,248**	(427,414)
Opening accumulated surplus	677,387	**677,387**	1,104,801
Closing accumulated surplus	$ 429,786	**$ 691,635**	$ 677,387

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,	2017	2016
Operating surplus (deficit)	**$ 14,248**	$ (427,414)
Change in prepaid expenses	**(4,982)**	-
Increase (decrease) in net financial assets	**9,266**	(427,414)
Net financial assets, beginning of year	**677,387**	1,104,801
Net financial assets, end of year	**$ 686,653**	$ 677,387

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Cash Flows

For the year ended June 30,	2017	2016
Cash provided by (used in):		
Operating Activities		
Operating surplus (deficit)	$ 14,248	$ (427,414)
Change in non-cash assets and liabilities		
Decrease (increase) in accounts receivable	110,153	1,173,384
Increase (decrease) in accounts payable and accrued liabilities	71,609	(32,141)
Increase (decrease) in payroll liabilities	(360,662)	454,773
Increase (decrease) in leave and termination benefits	33,782	-
Decrease (increase) in amounts due from Government of Canada	(10,285)	(14,042)
Decrease (increase) in prepaid expenses	(4,982)	-
	(160,385)	1,581,974
	(146,137)	1,154,560
Investing Activity		
Purchase of GIC	(66,500)	-
Change in cash position	**(212,637)**	1,154,560
Cash and cash equivalents, beginning of year (Note 4)	**1,520,523**	365,963
Cash and cash equivalents, end of year (Note 4)	**$ 1,307,886**	$ 1,520,523

K'alemi Dene School

Schedule 1
Consolidated Details of Expenditures

For the year ended June 30,	School Programs	Inclusive Schooling (Schedule 3)	Administration	Aboriginal Languages (Schedule 2)	2017 Total	2017 Budget (unaudited)	2016 Total
Salaries							
Teachers	$ 992,849	$ 193,274	$ -	$ 126,951	$ 1,313,074	$ 1,768,636	$ 1,331,776
Instruction assistants	72,517	139,653	-	36,850	249,020	253,826	273,970
Non-Instructional staff	215,849	-	-	-	215,849	126,250	236,125
Board/Trustee honoraria	5,500	-	6,438	-	11,938	18,000	13,148
Total Salaries	**1,286,715**	**332,927**	**6,438**	**163,801**	**1,789,881**	**2,166,712**	1,855,019
Employee Benefits							
Employee benefits and allowances	199,333	67,612	-	26,306	293,251	23,858	326,128
Leave and termination benefits	23,846	5,962	-	3,974	33,782	-	-
Total Employee Benefits	**223,179**	**73,574**	**-**	**30,280**	**327,033**	**23,858**	326,128
Services Purchased or Contracted							
Advertising	2,243	-	351	-	2,594	-	339
Electricity	2,810	-	-	-	2,810	10,000	2,470
Insurance and permits	1,566	-	-	48	1,614	-	5,844
Interest and bank charges	181	-	966	-	1,147	-	148
Maintenance and repairs	64,644	-	-	655	65,299	5,000	6,940
Other contracted services	838	-	170	-	1,008	-	13,602
Postage and communication	8,943	-	-	-	8,943	20,000	9,123
Professional/technical services	92,789	14,535	17,753	22,261	147,338	30,000	331,685
Rentals and lease	15,123	-	-	-	15,123	10,000	23,587
Student transportation and bussing	21,728	-	-	-	21,728	-	36,700
Travel	45,851	-	-	3,003	48,854	-	104,777
Water and sewage	1,337	-	-	-	1,337	-	2,961
Total Services Purchased or Contracted	**258,053**	**14,535**	**19,240**	**25,967**	**317,795**	**75,000**	538,176
Total Materials/Supplies/Freight	**189,943**	**15,066**	**2,750**	**6,191**	**213,950**	**165,000**	269,571
Total Expenditures	**$ 1,957,890**	**$ 436,102**	**$ 28,428**	**$ 226,239**	**$ 2,648,659**	**$ 2,430,570**	$ 2,988,894

K'alemi Dene School

Schedule 2
Details of Aboriginal Language and Culture Program Expenditures

For the year ended June 30, **2017**

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Teachers	$ 126,951	$ -	$ -	$ -	$ 126,951
Language consultants	36,850	-	-	-	36,850
Instruction assistants	-	-	-	-	-
Non-instructional staff	-	-	-	-	-
Honoraria	-	-	-	-	-
School secretary	-	-	-	-	-
	163,801	-	-	-	**163,801**
Employee Benefits					
Employee benefits/allowances	**30,280**	-	-	-	**30,280**
Services Purchased/Contracted					
Advertising/printing/publishing	-	-	-	-	-
Licenses & permits	48	-	-	-	48
Maintenance/repair	655	-	-	-	655
Other contracted services	-	-	-	-	-
Professional/technical services	22,261	-	-	-	22,261
Rentals/leases	-	-	-	-	-
Student transportation (bussing)	-	-	-	-	-
Travel	3,003	-	-	-	3,003
	25,967	-	-	-	**25,967**
Materials/Supplies/Freight					
Materials	**6,191**	-	-	-	**6,191**
Total	**$ 226,239**	**$ -**	**$ -**	**$ -**	**$ 226,239**

K'alemi Dene School

Schedule 3
Details of Inclusive Schooling Expenditures

For the year ended June 30, **2017**

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	$ -	$ -	$ -	$ -	$ -	$ -	$ 193,274	$ 193,274
Consultants	-	-	-	-	-	-	-	-
Support assistants	-	-	-	-	-	-	139,653	139,653
Non-instructional staff	-	-	-	-	-	-	-	-
School secretary	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	**332,927**	**332,927**
Employee Benefits								
Employee benefits/allowances	-	-	-	-	-	-	**73,574**	**73,574**
Services Purchased/Contracted								
Professional/technical services	-	-	-	-	-	-	14,535	14,535
Travel	-	-	-	-	-	-	-	-
Student transportation (bussing)	-	-	-	-	-	-	-	-
Advertising/printing/publishing	-	-	-	-	-	-	-	-
Maintenance/repair	-	-	-	-	-	-	-	-
Rentals/leases	-	-	-	-	-	-	-	-
Other contracted services	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	**14,535**	**14,535**
Materials/Supplies/Freight								
Materials	-	-	-	-	-	-	**15,066**	**15,066**
Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 436,102**	**$ 436,102**

K'alemi Dene School

Schedule 4
Aboriginal Languages

For the year ended

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total
Revenue			
GNWT ECE funding	$ 125,877	$ 73,123	$ 199,000
	125,877	**73,123**	**199,000**
Expenditures			
Salaries	95,575	68,226	163,801
Employee benefits	13,987	16,293	30,280
Services purchased/contracted	23,657	2,310	25,967
Supplies and materials	5,633	558	6,191
	138,852	**87,387**	**226,239**
Surplus	**$ (12,975)**	**$ (14,264)**	**$ (27,239)**

1. Nature of Operations

K'alemi Dene School ("the Authority") was established on June 25, 2013 under the *Education Act* of the Northwest Territories by order of the Minister. Its purpose is to administer and maintain the standards of educational programs in N'Dilo as defined under the Act. A full range of instructional programs ranging from kindergarten through grade 12 are offered by the Authority.

The Authority 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.

The Authority is a public body performing a function of government in Canada. Paragraph 149(1)(c) of the *Income Tax Act* provides that a public body performing a function of government in Canada is exempt from taxation.

2. Significant Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the consolidated financial statements. The accrual basis of accounting is utilized for all funds. Under the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques.

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arms's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized cost include cash, accountable funds, due from the GNWT and other accounts receivable.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, accrued salaries, deferred revenue, post-employment benefits and accountable funds.

2. Significant Accounting Policies (continued)

(c) Financial Instruments (continued)

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

(d) Non-Financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by the Education Authority because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Education Authority.

(e) Tangible Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. The Minister grants to the Authority full occupancy and use of such facilities and equipment required for the administration and delivery of the education programs within the community. Tangible capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines of the GNWT and they are not disclosed on the statement of financial position. Capital assets with a value of less than $50,000 are recorded as a current expenditure.

(f) Revenue Recognition

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.

GNWT - Regular Contributions
The regular contributions from the GNWT are determined by a funding formula, based on student enrolment and price and volume fluctuation, and are 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 GNWT.

2. Significant Accounting Policies (continued)

(f) Revenue Recognition (continued)

Other Contributions
The Authority follows the deferral method of accounting for contributions from funding arrangements. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be reasonably estimated and its collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred.

Other Revenue - Donations
Donations are recognized as revenue when they are received or receivable, if the amount can be reasonably estimated and its collection is reasonably assured.

Contributed Services
The Authority receives cleaning and catering services provided by school volunteers. The fair value of these services is recognized as an expense and a corresponding revenue is recorded. The fair value of these services is $43,781 (2016 - $28,720).

The school bus used by the Authority is the property of the Yellowknives Dene First Nation. The fair value of the use of the bus is estimated to be equivalent to the cost of bus passes that the Authority would have had to purchase. As such a bus pass expense and corresponding revenue has been reported in the Consolidated Statement of Operations. The fair value of these services is $21,500 (2016 - $36,300).

(g) Budget Data

The *Education Act* of the Northwest Territories requires that Education Authorities prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees at a special meeting called for the purposes of reviewing budget proposals, recommending changes, additions or deletions and adopting the proposed budget.

The budget is legally adopted by a motion of the Board of Trustees which also establishes a tax levy to support the approved budget in accordance with Section 135(3), Assessment and Taxation, of the *Education Act*.

Board approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by Sections 117 (2) k, l and m of the *Education Act*.

The annual budget includes estimates of revenue and expenditures and the net operating surplus (deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Authority.

The budget may be amended within a given fiscal year in accordance with Board policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

2. Significant Accounting Policies (continued)

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards 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 consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Education Body are treated as expenditures during the year of acquisition and are not recorded on the statement of financial position.

(j) Payroll Liabilities

Teacher payrolls for July and August are accrued.

(k) Other Employee Future Benefits and Compensated Absences

Under the terms and conditions of employment, education board employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date of employment commenced, and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternal and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

(l) Special Purpose Funds

School activity funds which are fully controlled by the Authority with respect to when and how the funds available can be disbursed are included. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefit. Examples might include planned student trips or funds specifically designated for the purchase of equipment or materials required to support an activity.

Student activity funds which are controlled by students or parties other than the Authority are not included even if custody of the funds is held by the Authority. Examples of excluded funds might be student clubs or associations for which the Authority has no ongoing responsibility of liability for losses.

2. Significant Accounting Policies (continued)

(m) Donated Goods and Services

Volunteer time or donated services are recorded as revenue with offsetting expenditure at their fair values in the period received, when the services would otherwise be purchased and their fair values have been objectively determined.

GNWT Tangible Capital Assets Provided At No Cost
The school buildings occupied by the Authority are the property of the GNWT. The fair value of the use of the building is estimated to be equivalent to the current year amortization of the building as such a rent expense and corresponding grant in-kind has been reported in the Consolidated Statement of Operations.

(n) Net Financial Assets (Debt)

The Authority's financial statements are presented so as to highlight net financial assets (debt) as the measurement of financial position. The net financial assets (debt) of the Authority is determined by its financial assets less its liabilities. Net financial assets (debt) combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

(o) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exits; contamination exceeds the environmental standard; the Authority is directly responsible or accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2017.

At each financial reporting date, management reviews the carrying amounts of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. Management of the Authority has concluded that there is no contamination that exceeds environmental standards and as a result there are no liabilities for contaminated sites.

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

PSAB approved Section PS 2200, Related Party Disclosures. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines related parties and establishes disclosures required for related party transactions. It is expected that reasonable efforts would be made to identify related party transactions. This may involve adopting policies and procedures designed to ensure that these transactions are appropriately identified, measured and disclosed in the financial statements. Not all related party relationships or transactions occurring between related parties are required to be disclosed. Disclosure is generally required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated. However, not all of these transactions are reportable under this Section. Only those transactions that have or could have a material financial effect on the financial statements are disclosed.

The impact of the transition to this accounting standard has not yet been determined.

Inter-entity transactions, Section PS 3420

PSAB approved Section PS 3420, Inter-entity Transactions. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This section may be applied in conjunction with Related Party Disclosures, Section PS 2200.

The impact of the transition to this accounting standard has not yet been determined.

Assets, Section PS 3210

PSAB approved Section PS 3210, Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section provides guidance on how to apply the definition of assets as set out in Section PS 1000, and establishes standards for disclosure of assets except certain specific types of assets, which are dealt with in other Sections.

The impact of the transition to this accounting standard has not yet been determined.

Contingent Assets, Section PS 3320

PSAB approved Section PS 3320, Contingent Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of contingent assets except certain specific types of contingent assets.

The impact of the transition to this accounting standard has not yet been determined.

3. Future Accounting Changes (continued)

Contractual Rights, Section PS 3380

PSAB approved Section PS 3380, Contractual Rights. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future except certain specific types of contractual rights.

The impact of the transition to this accounting standard has not yet been determined.

Student Activity Funds

Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to be reported on the consolidated financial statements of the Authority in the future.

4. Cash and Cash Equivalents

Cash and cash equivalents represent cash held in a bank account with the Royal Bank of Canada (RBC).

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

The Authority has a $66,500 one-year guaranteed investment certificate (GIC) with the Royal Bank of Canada (RBC). The GIC has an interest rate of 0.500% per annum and matures on December 14, 2017.

8. Accounts Receivable

	Accounts Receivable 2017	Allowance 2017	**Net 2017**	Net 2016
Accounts receivable	$ 500	$ -	$ 500	$ (23,068)
Surplus due from Yellowknives Dene First Nation	-	-	-	133,721
	$ 500	$ -	**$ 500**	$ 110,653

9. Inventories

The Authority does not have inventories.

10. Accounts Payable

	2017	2016
Trades payable	$ 74,362	$ 2,753
Payroll Liabilities	623,740	984,402
	$ 698,102	$ 987,155

11. Deferred Revenue

The Authority does not have deferred revenue.

12. Contribution Repayable

The Authority does not have contribution repayable.

13. Due from and (to) the Government of Canada

	2017	2016
Goods and Services Tax receivable	$ 43,651	$ 33,366

14. Capital Lease Obligations

The Authority does not have capital lease obligations.

15. Pensions

The Authority makes contributions to the Northern Employee Benefits (NEBS) Pension Plan, which is a multi-employer plan, on behalf of some members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to the NEBS pension was $260,336. The contributions are calculated at a rate of 8% of earning and allowances employee and employer contribution for a total of 16%. The maximum pensionable earnings is $165,077 for January 2017, and $163,715 for January 2016. The maximum monthly contributions is $2,914 for January 2017, and $2,182 for January 2016.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 2,600 Employee Members and 99 Employer Members (total active, disabled and on leave 1,542).

As of January 1, 2017, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $18,500,000 - funded ratio 111% (2016 - $12,500,000 and 109%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $102,495,300 and a solvency ratio of 64%. Solvency is calculated for the purposes of determining obligations only in the event of a plan wrap up. Any potential deficiency in termination payments is guaranteed to be paid over the next 10 years or less, depending on the position of the fund. For the period ending December 31, 2016, the NEBS Pension plan had an accumulated surplus of $25,121,532.

As of April 2004, the OSFI has exempted NEBS from compliance with the Pension Benefits Standards Act (PBSA). On April 2015, the Legislative Assembly passed The Northern Employee Benefits Act (Bill 12) which was enacted October 1, 2015. NEBS is now operating under Bill 12.

16. Long Term Debt

The Authority does not have long term debt.

17. Post Employment Benefits

In addition to the pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Authority's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits for all staff are accrued as employee render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Authority.

	Severance and Removal	Compensated Absences	2017	2016
Changes in Obligation				
Accrued benefit obligation beginning of year	$ 21,338	$ 6,079	**$ 27,417**	$ -
Current service cost	3,251	708	3,959	-
Interest cost	758	214	972	-
Benefits paid	-	(174)	(174)	-
Actuarial (gain)/loss	3,797	315	4,112	-
Plan amendment	-	1,608	1,608	-
Accrued benefit obligation at end of year	29,144	8,750	**37,894**	-
Unamortized net actuarial loss/(gain)	(3,797)	(315)	(4,112)	-
Accrued benefit liability	$ 25,347	$ 8,435	**$ 33,782**	$ -

17. Post Employment Benefits (continued)

The discount rate used in the 2017 fiscal year to determine the accrued benefit obligation was an average of 3.3% (2016 - 3.2%). The expected payments during the next ten fiscal years are:

	Severance and Removal	Compensated Absences	Total
2018	$ 2,235	$ 219	$ 2,454
2019	2,431	236	2,667
2020	2,964	477	3,441
2021	3,890	1,078	4,968
2022	4,072	998	5,070
2023-2027	18,704	4,467	23,171
	$ 34,296	$ 7,475	$ **41,771**

18. Trust Assets Under Administration

The Authority does not have trust assets under administration.

19. Tangible Capital Assets

The Authority does not have tangible capital assets.

20. Prepaid Expenses

	2017	2016
Vehicle licenses and insurance	$ **4,892**	$ -

21. Accumulated Surplus/Deficit

A consolidated statement of accumulated surplus/deficit has been prepared and included in the Consolidated Statement of Financial Position.

22. Capital Advances

The Authority does not have capital advances.

23. GNWT Tangible Capital Assets Provided At No Cost

	Cost	Accumulated Amortization	**2017 Net Book Value**	2016 Net Book Value
Buildings	$ 9,066,125	$ 1,699,898	**$ 7,366,227**	$ 7,592,880

Rent expense of $226,653 (2016 - $226,653) equal to current year amortization of the tangible capital assets was offset by a grant in-kind.

24. Contractual Obligations

The Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2017

	Expires in Fiscal Year	2018	2019	Total
Equipment lease	2019	$ 9,056	$ 6,792	$ 15,848
Contract for superintendent services	2018	3,000	-	3,000
		$ 12,056	**$ 6,792**	**$ 18,848**

25. Contingencies

As of the audit report date, the Authority does not have contingencies.

26. Related Parties

The Authority is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided with various administrative services by the GNWT, the value of which is not reflected in these consolidated financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage, payroll services and internal audit services by the Department of Finance, and utilities and maintenance by Public Works and Services. Transactions with related parties and balances at year-end not disclosed elsewhere in the consolidated financial statements are summarized in this note.

	2017	2016
Due to related parties		
Yellowknife Education District #1	**$ 595,701**	$ 984,402
Revenue from related parties		
GNWT - Department of Education, Culture and Employment	$ 2,403,320	$ 2,407,548
GNWT - Department of Environment and Natural Resources	8,000	-
GNWT - Department of Municipal and Community Affairs	19,300	-
Yellowknife Education District #1	-	36,298
Total revenues from related parties	**$ 2,430,620**	$ 2,443,846
Expenses to related parties		
Aurora College	$ 200	$ -
Yellowknife Education District #1	1,855,345	1,946,622
Total expenses to related parties	**$ 1,855,545**	$ 1,946,622

27. Budget Data

The *Education Act* of the Northwest Territories requires that Education Bodies 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 Education Body which includes the establishment of 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 Trustees of the Authority on May 9, 2016 and have not been audited.

28. Economic Dependence

The Authority receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the Authority's operations would be significantly affected.

29. Financial Instruments

The Authority is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the Authority's financial instruments is provided by type of risk below. The Authority is exposed to credit and liquidity risks from the its financial instruments. Qualitative and quantitative analysis of the significant risks from the Authority's financial instruments is provided below by type of risk below.

a) Credit risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments of interest and principal when due. The Authority is exposed to this risk relating to its, cash and accounts receivable.

The Authority's maximum exposure to credit risk is represented by the financial assets balance for a total of $1,418,537 (2016 - $1,664,542).

There is a concentration of credit risk in cash as the majority of the deposits are held in one Canadian chartered bank and the balance is in excess of the insurable limit.

b) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

The Authority's maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities, and payroll liabilities for a total of $731,884 (2016 - $987,155).

All of the Authority's financial assets and financial liabilities at June 30, 2017 mature within 6 months.

There have been no significant changes from the previous year in the exposure to risks or policies, procedures, and methods used to measure the risks.

30. Expenditures by Object

	Budget 2017 (Unaudited)	**Actual 2017**	Actual 2016
Compensation	$ 2,190,570	$ 2,116,914	$ 2,181,147
Materials and freight	165,000	213,950	269,571
Services purchased/contracted	75,000	317,795	538,176
	$ 2,430,570	**$ 2,648,659**	$ 2,988,894

31. Subsequent Events

There were no material subsequent events that occurred between June 30, 2017 and the date the audit report was signed.

32. Comparative Figures

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

33. ECE Other Contributions

	2017	2016
Government of the Northwest Territories, Department of Education, Culture and Employment		
Fundraising	$ 4,500	$ 3,125
Self Regulation	5,300	-
Drop the Pop	1,811	-
Other	709	-
	$ 12,320	$ 3,125

34. GNWT Other Contributions

	2017	2016
Government of the Northwest Territories		
Municipal and Community Affairs	$ 19,300	$ -
Environment and Natural Resources	8,000	-
	$ 27,300	$ -

Consolidated Financial Statements of

Sahtu Divisional Education Council

June 30, 2017

Sahtu Divisional Education Council

Consolidated Financial Statements

June 30, 2017

Management discussion and analysis

Management Responsibility for Financial Reporting 1

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Management Discussion and Analysis (MD&A)

Introduction

The Management's Discussion and Analysis (MD&A) of the Sahtu Divisional Education Council (SDEC) financial performance provides an overall review of the Board's financial activities for the fiscal year ended June 30th 2017. The intent of this discussion and analysis is to attest on a go-forward basis the responsibility of management and the Council Members to promote transparency and accountability. Readers should also review the notes to the financial statements and the financial statements to enhance their understanding of the Sahtu Divisional Education Council financial performance.

What is the SDEC?

The Sahtu Divisional Education Council (SDEC) is responsible, under the Education Act, for all K-12 education in the Sahtu region. There are five schools in the district. In each community, a locally elected District Education Authority (DEA) is responsible for education in that community. The District Education Council (DEC) is made up of one member from each DEA and one chairperson.

As per the Education Act of the Northwest Territories, the SDEC is responsible to provide quality education to the residents of the Sahtu region. It is our hope that by reading this document, members of our community will receive valuable information on the infrastructure of the education system in the North and become involved in their community government.

Mission

To provide excellent educational environments where students will have the opportunity to experience success and contribute to society.

Council of Trustees

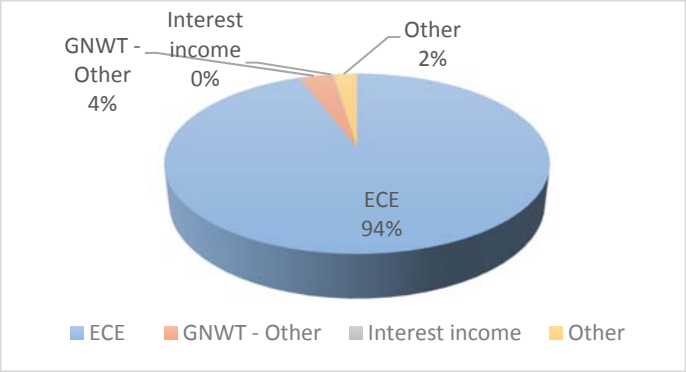
Chairperson
Karea Peachy – Norman Wells

Vice-Chairperson
Sally Ann Horrassi – Tulita

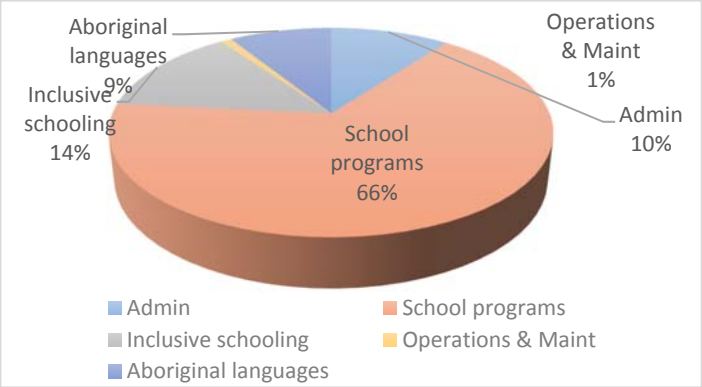
Angela Grandjambe – Fort Good Hope
Trudy Kochon – Colville Lake
Mary Ann Vital – Deline
Vacant – Norman Wells

The management team of the SDEC comprised of the following;
Superintendent – Seamus Quigg
Assistant Superintendent – Renee Closs
Comptroller – Harry Cassie

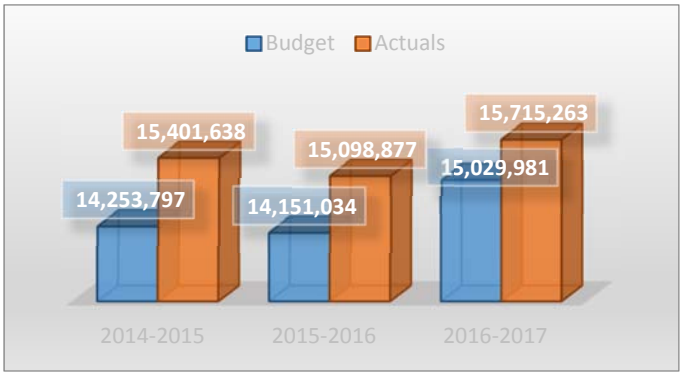
Revenues



Expenditures by Program



Operating Trends
Actual to Budget



Expenditures exceeded revenues for a deficit of ($51k), (2016-$91k surplus), compared to budgeted surplus of $68k. This resulted in a surplus fund balance $377k (2016-$614k) as at June 30th 2017. Additional revenues of $822k (2016-$948k) was received resulted in additional expenses incurred compared to budget.
Revenues have been trending positively compared to budget as a result of additional revenue received during the year for new initiatives, this is consistent year over year.

Total Student/Teacher Population by Schools

Schools	Students	Teachers
Mackenzie Mountain – Norman Wells	144	11.00
Chief Albert Wright - Tulita	107	9.50
Chief T'Selehye – Fort Good Hope	152	10.00
Ehtseo Ayha – Deline	100	8.00
Coville Lake – Colville Lake	54	3.00
Totals	**557**	**41.50**

Operating Environment

Strengths
Our relatively small Central Office staff of nine have good working relationships and considerable longevity. The average length of time employed here is between nine and ten years.

Operational systems and procedures are in place, and because of our smaller size, we are very well represented on all territorial educational committees.
Long time staff at the board office, at the school turnover is relatively low, system and manuals in place and a reasonable surplus on hand.

Weakness
Shipping to the Sahtu region is challenging as we have no control over delivery times due to the limited methods of delivery over each season. The most economical way of shipping is via barge but this has been challenging with fewer barge due to lower than normal water levels. The alternative when this happens is to fly in supplies or wait for the winter road season.

Opportunities
There is always the need for additional funding. There is also the opportunity to explore program funding from other GNWT departments.

Threats
The community of Deline, Northwest Territories has ushered in a new era of their history, assuming self-government responsibilities on August 31st 2016. This agreement was 20 years in the making and will mean that the community can enact laws governing areas from municipal services to health and education. While education is not on the front

burner at this, these discussions will eventually happen and at this time it is too soon to forecast an outcome. In the meantime, other communities are also engaging in self-government.

The 18th Legislative Assembly established its mandates for 2016-2019 and identified as one of its priorities a planning study on options for shared service administration across NWT education bodies, as an effort to increase the JK12 support systems. It is understood then that it is of importance for the GNWT to find opportunities to improve efficiencies, reduce costs, all the while also preserving or improving services required.
A steering committee has been established and a contractor has been engaged to begin looking at the possibilities. Following the presentation of Report 1: Capturing the Current State, the a2z team consulted with key stakeholders to confirm the various needs, requirements and constraints in the designing of a shared services model. Further, discussions took place to co-develop the model that would best answer the needs of Education Authority (EA).
While management is optimistic about shared services, at the time of these statements no decision has been made regarding a position.

Imperial Oil has suspended oil production at its field in Norman Wells, in response to the continued shutdown of the Line 21 pipeline to Alberta. Operations has been transitioned to care and maintenance phase. The moves come as Line 21 — which is owned by Enbridge and carries oil from Norman Wells to Zama, Alta. — remains shut down. The line was shut down due to concerns about ground stability at a section of the line near Fort Simpson. Oil and gas has long been a staple of economic planning in the NWT Sahtu region. With this shutdown, the town have already seen the impact of workers leaving. The impact affect both the business sector as well as the enrollment in schools. The funding for schools is dependent on enrollment.

Financial Condition
The Sahtu DEC health is stable in spite of having a deficit in the current year ($51k), (2016: $91k surplus). The closing surplus for the end of the fiscal year June 30, 2017 is $377k (2016: $614,813). The main challenge faced by Sahtu DEC is having to dip into surplus funding to offset operational issues from time to time, with no additional funding for these occurrences.

Accumulated surplus (deficit) is comprised of the following:		
Accumulated surplus (deficit), end of year	$ (351,141)	$ (300,148)
Post employment benefits Unamortized net actuarial (gain)/loss (Note 17)	914,961	914,961
Less: Amortization of net actuarial (gain)/loss (included in current year deficit)	(106,391)	-
Less: 2017 increase in Actuarial (gain)/loss	(80,131)	-
Revised accumulated surplus (deficit), end of the year	$ 377,298	$ 614,813

As shown above, a significant portion of the change in the “Revised accumulated surplus (deficit)” is due to changes in the post-employment benefits liability. The GNWT has required the use of an actuary to determine the balance. Changes in the actuarial calculations have resulted in significant swings in the accumulated surplus (deficit) balance. Management recognizes that this creates difficulties in interpreting our surplus and in turn clouds the picture for decision making. However, the intention of using an actuary is to present the most accurate balances over the long term.

The challenge faced this year by the board was in the area of removal which contributed significantly towards the overall deficit ($51k) as this cost is somewhat difficult to budget, due to timing of budget and the hiring process and was under budgeted for this fiscal year. Management will use this experience to increase allocation for removal moving forward.

The current ratio is a liquidity and efficiency ratio that measures an organization’s ability to pay off its short-term liabilities with its current assets. Sahtu DEC current ratio as at June 30th 2017 is 1.20, (2016, 1.19).

Summary and Outlook

We have continued to implement a very successful mathematics intervention program in all of our schools. Our Program Consultant, Lorraine Kuer, has traveled with an external consultant to all of our schools and provided in-service to our teachers in this initiative.

Play-based programming in Kindergarten and Junior Kindergartens is in place in all of our schools and all of our K and JK teachers have been given in-service in this programming.

Heritage and Science Fairs are being embedded into the regular curriculum and are running well, with much support and enthusiasm from the organizers and participants.

Self regulation has been introduced to all of our schools. This is a way of having students recognize their own behavioral issue and take steps to deal with them appropriately.

We have had a cohort of six Language Specialists graduate from Aurora college. This program was conducted entirely in the community of Tulita. These graduates will provide replacements for existing Language Specialist positions as they retire or move to other positions.

We have implemented a year-round calendar in one of our schools, Fort Good Hope. This has been well received by both staff and community.

We continue to struggle with offering a robust High School program in our small schools that have very few High School teachers. We are attempting to address this in a number of ways. In one school, we are piloting a distance education initiative together with ECE and the Beaufort Delta DEC.

Teacher turnover has been an issue of late. A lack of personnel continuity is detrimental to school programs. We are hopeful that the recent STIP initiative will improve teacher workload and mental health and reduce turnover.

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Sahtu Divisional Education Council have been conducted within the statutory powers of the Education Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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.

The financial statements have been reported on by Ashton Chartered Accountants. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Renee Closs
Assistant Superintendent
Sahtu Divisional Education Council

09/21/17
Date

Harry Cassie, CPA, CGA, CFE, CMgr FCMI, BBA (Hons.)
Comptroller
Sahtu Divisional Education Council

09/21/17
Date

ASHTON
Chartered Accountants
Business Advisors

Suite 8 - 6 Courtoreille Street
Hay River, NT X0E 1G2
PH: (867) 874-6775
FX: (867) 874-3775
Email: tashton@ashtonca.com

INDEPENDENT AUDITORS' REPORT

To the Minister of Education, Culture and Employment of the GNWT
To the Board of Trustees of the Sahtu Divisional Education Council

We have audited the consolidated financial statements of the Sahtu Divisional Education Council, which comprise the consolidated statement of financial position as at June 30, 2017, and the consolidated statements of operations and surplus, changes in net assets (debt), 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.

Auditor's 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 in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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 entity'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.

Basis for Qualified Opinion

The Government of the Northwest Territories is responsible for the calculation and distribution of the Education Body's wages and benefits expenditure for public service employees, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT is properly reflected in the Education Body's records. As a result, we were not able to determine whether any adjustments might be necessary to expenditure, liabilities or accumulated surplus.

Independent Auditor's Report (continued)

Qualified Opinion

In our opinion, except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Sahtu Divisional Education Council as at June 30, 2017, and the results of its financial performance and cash flow for the year then ended in accordance with the 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 the Education Body, the consolidated financial statements are in agreement therewith, and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of the Education Body.



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
September 27, 2017

Sahtu Divisional Education Council

Consolidated Statement of Financial Position

June 30, 2017

	2017	2016
FINANCIAL ASSETS		
Cash, Note 4	$ 2,383,751	$ 3,148,944
Special purpose funds, Note 5	284,044	267,434
Accounts receivable, Note 8	547,629	334,517
	$ 3,215,424	$ 3,750,895
LIABILITIES		
Accounts payable and accrued liabilities, Note 10	$ 151,621	$ 171,177
Payroll liabilities, Note 10	1,548,928	1,907,089
Deferred revenue, Note 11	284,044	267,435
Post-employment benefits, Note 17	1,608,785	1,720,172
	3,593,378	4,065,873
Net Financial Assets (Deficit)	$ (377,954)	$ (314,978)
NON-FINANCIAL ASSETS		
Prepaid expenses, Note 20	$ 26,813	$ 14,830
ACCUMULATED SURPLUS (DEFICIT)	$ (351,141)	$ (300,148)

Contractual obligations and contingencies, Note 24 and 25

Approved on behalf of council:

Chair

Superintendent

Sahtu Divisional Education Council

Consolidated Statement of Operations and Surplus

For the year ended June 30, 2017

	Budget 2017	Actual 2017	Actual 2016
Revenue			
Government of the Northwest Territories			
ECE Regular Contributions	$ 13,964,000	$ 14,875,399	$ 14,146,828
Teaching and Learning Centres	58,000	58,000	58,000
French Language Instruction	55,000	55,000	55,000
ECE Other Contributions, Note 33	471,400	180,717	171,769
Total ECE	14,548,400	15,169,116	14,431,597
GNWT Other Contributions, Note 34	188,200	403,276	495,893
Total GNWT	$ 14,736,600	$ 15,572,392	$ 14,927,490
Education council generated funds			
Interest income	30,000	25,839	31,034
Other	263,381	117,032	140,353
	293,381	142,871	171,387
	15,029,981	15,715,263	15,098,877
Expenses			
Administration	1,217,131	1,623,503	1,145,095
School programs	9,689,783	10,456,331	10,400,076
Inclusive schooling	2,517,099	2,152,768	1,994,500
Operations and maintenance	-	146,342	144,467
Aboriginal languages	1,537,593	1,404,770	1,323,730
	14,961,606	15,783,714	15,007,868
Operating Surplus (Deficit) before other item	$ 68,375	$ (68,451)	$ 91,009
Other item:			
Post-employment benefit recovery (expense), Note 17	-	17,458	(914,961)
	$ 68,375	$ (50,993)	$ (823,952)
Accumulated surplus (Deficit), beginning of year		$ (300,148)	$ 523,804
Accumulated surplus (deficit), end of year		$ (351,141)	$ (300,148)
Accumulated surplus (deficit) is comprised of the following:			
Accumulated surplus (deficit), end of year		$ (351,141)	$ (300,148)
Post employment benefits Unamortized net actuarial (gain)/loss (Note 17)		914,961	914,961
Less: Amortization of net actuarial (gain)/loss (included in current year deficit)		(106,391)	-
Less: 2017 increase in Actuarial (gain)/loss		(80,131)	-
Revised accumulated surplus (deficit), end of the year		$ 377,298	$ 614,813

Sahtu Divisional Education Council

Consolidated Statement of Changes in Net Assets (Debt)

For the year ended June 30, 2017

	2017	2016
Annual surplus (deficit)	$ (50,993)	$ (823,952)
Change in prepaid expenses	(11,983)	8,574
Increase (decrease) in net financial resources	(62,976)	(815,378)
Net financial resources, beginning of year	(314,978)	500,400
Net financial resources, end of year	$ (377,954)	$ (314,978)

Sahtu Divisional Education Council

Consolidated Statement of Cash Flow

For the year ended June 30, 2017

	2017	2016
Cash provided by (used in):		
Operating Transactions		
Operating Surplus (Deficit)	$ (50,993)	$ (823,952)
	(50,993)	(823,952)
Change in non-cash assets and liabilities:		
Accounts receivable	(213,112)	(171,905)
Accounts payable and accrued liabilities	(19,556)	20,641
Payroll liabilities	(358,161)	(330,405)
Deferred revenue	16,609	60,704
Post-employment benefits	(111,387)	837,288
Prepaid expenses	(11,983)	8,574
	(697,590)	424,897
Increase (Decrease) in cash and cash equivalents	(748,583)	(399,055)
Cash and cash equivalents, beginning of year	3,416,378	3,815,433
Cash and cash equivalents, end of year	$ 2,667,795	$ 3,416,378
Consists of:		
Cash	$ 2,383,751	$ 3,148,944
Special purpose funds	284,044	267,434
	$ 2,667,795	$ 3,416,378

Sahtu Divisional Education Council

Consolidated Detail of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accom.	Operations & Maintenance	Administration	Aboriginal Languages	Transfers & Other	2017 Total	2017 Budget	2016 Total
Salaries										
Teachers' salaries	$ 7,273,632	$ 806,300	$ -	$ -	$ -	$ 1,198,207	$ -	$ 9,278,139	$ 8,964,112	$ 9,266,958
Instruction assistants	11,887	798,468	-	-	-	100,616	-	910,971	1,035,020	889,487
Non-instructional staff	1,109,751	263,451	-	-	762,834	-	-	2,136,036	2,153,158	2,169,472
Board/Trustee honorarium	-	-	-	-	36,397	55,609	-	92,006	97,000	83,192
	8,395,270	1,868,219	-	-	799,231	1,354,432	-	12,417,152	12,249,290	12,409,109
Employee Benefits										
Employee benefits and allowances	26,108	-	-	-	-	-	-	26,108	36,000	114,764
Leave and termination benefits	472,460	-	-	-	582,930	-	-	1,055,390	384,471	283,119
	498,568	-	-	-	582,930	-	-	1,081,498	420,471	397,883
Services Purchased/Contracted										
Professional services	463,977	22,212	-	-	-	-	-	486,189	526,275	670,569
Postage and communication	46,823	-	-	-	33,864	-	-	80,687	81,417	73,684
Utilities		-							-	
Heating	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-	-	-
Travel	161,453	87,078	-	-	88,335	2,526	-	339,392	296,100	246,978
Student transportation (busing)	151,500	-	-	-	-	-	-	151,500	152,000	149,000
Advertising/printing/publishing	1,417	-	-	8,796	-	18,755	-	28,968	8,350	8,565
Maintenance and repair	37,454	-	-	4,850	-	1,250	-	43,554	32,500	26,516
Rentals and leases	-	-	-	132,696	-	-	-	132,696	141,752	137,422
Other contracted services	47,932	132,497	-	-	-	-	-	180,429	140,200	48,123
Other	22,931	-	-	-	80,348	20,883	-	124,162	122,417	122,003
	933,487	241,787	-	146,342	202,547	43,414	-	1,567,577	1,501,011	1,482,860
Materials, Supplies and Freight										
Materials	602,628	39,853	-	-	34,724	3,750	-	680,955	617,534	680,060
Freight	26,378	2,909	-	-	4,071	3,174	-	36,532	52,300	37,956
	629,006	42,762	-	-	38,795	6,924	-	717,487	669,834	718,016
Contributions/Transfers										
Transfers	-	-	-	-	-	-	-	-	121,000	-
Debt Services										
Other	-	-	-	-	-	-	-	-	-	-
Total	**$ 10,456,331**	**$ 2,152,768**	**$ -**	**$ 146,342**	**$ 1,623,503**	**$ 1,404,770**	**$ -**	**$ 15,783,714**	$ 14,961,606	$ 15,007,868

SAHTU DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-based Education Expenses

For the year ended June 30, 2017

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	**2017 Total**
Salaries					
ALCBE teachers	$ 1,198,207	$ -	$ -	$ -	$ **1,198,207**
Language consultants	-	-	-	-	**-**
Instruction assistants	100,616	-	-	-	**100,616**
Non-instructional staff	-	-	-	-	**-**
Honoraria	-	-	-	-	**-**
Elders in schools	-	-	-	55,609	**55,609**
	1,298,823	-	-	55,609	**1,354,432**
Employee Benefits					
Employee benefits and allowances	-	-	-	-	**-**
Services Purchased/Contracted					
Professional services	-	-	-	-	**-**
Postage and communication	-	-	-	-	**-**
Travel	2,047	-	-	-	**2,047**
Student transportation (busing)	-	-	-	-	**-**
Advertising, printing and publishing	18,755	-	-	-	**18,755**
Maintenance and repairs	-	-	-	-	**-**
Rentals and leases	-	-	-	-	**-**
Other contracted services	17,618	-	3,265	-	**20,883**
	38,420	-	3,265	-	**41,685**
Materials, Supplies and Freight					
Materials	-	1,185	-	714	**1,899**
Freight	-	3,174	-	-	**3,174**
	-	4,359	-	714	**5,073**
Total	$ 1,337,243	$ 4,359	$ 3,265	$ 56,323	$ **1,401,190**

Sahtu Divisional Education Council

French Language Programs

For the year ended June 30, 2017

	ECE Contributions July 1 to June 30	Commitment from Sahtu July 1 to June 30	Expenses July 1 to June 30
Special projects:			
Core French Instruction	$ 55,000	$ 134,442	$ 167,903

Sahtu Divisional Education Council

Aboriginal Languages

For the year ended June 30, 2017

	July 1 to March 31	April 1 to June 30	Total
Contribution Agreement			
Aboriginal Languages			
Revenues			
Funding Received	$ 58,000	$ -	$ 58,000
	58,000	-	58,000
Expenditure			
Salaries	-	58,000	58,000
Other O & M	-	-	-
	-	58,000	58,000
Net Surplus (Deficit)	$ 58,000	$ (58,000)	$ -

Sahtu Divisional Education Council

Student Success Initiative Projects

For the year ended June 30, 2017

		School Year
Revenue		
Education, Culture and Employment	$	55,000
NWTTA		35,126
Total Revenue		90,126
Expenses		
Salaries and wages		
Facilitator fees (including per diems)		44,603
Substitute teacher wages		1,142
Staff (p/y)		-
Travel		
Facilitator travel		13,574
Air charter		-
Staff travel		20,143
Accommodations		-
Daily per diems		2,350
Workshop expenses		
Room rental		-
Refreshments		-
Resources		6,737
Miscellaneous (stationary/printing)		-
Total Expenses		88,549
Net Surplus (Deficit)	$	1,577

Note 1. **Nature of Organization**

The Sahtu Divisional Education Council ("The Council") was established by the *Education Act* of the Government of the Northwest Territories (GNWT) by order of the Minister dated April 1, 1989. Its purpose is to administer and maintain the standards of education program defined under the *Education Act* in the communities in the Sahtu Region.

Consequently, the Council is dependent on funding from the Department of Education, Culture, and Employment (ECE) of the GNWT. Member Communities have formed local District Education Authorities (DEA) which have assumed responsibility to provide sufficient educational programs within their respective communities.

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.

The Council is a public body performing a function of government in Canada. Paragraph 149(1)(C) of the *Income Tax Act* provides that a public body performing a function of government in Canada is exempt from taxation.

The accompanying consolidate financial statements include the operations of the Council, and the member District Education Authorities of Colville Lake, Deline, Fort Good Hope, Norman Wells, and Tulita.

Note 2. **Significant Accounting Policies**

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for all funds. Under this basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash and with a maturity date of 90 days or less from the date of acquisition.

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arms' length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized cost include cash, accountable funds, due from the GNWT and other accounts receivable.

Note 2. **Significant Accounting Policies (continued)**

(c) Financial Instruments

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, accrued salaries, deferred revenue, post-employment benefits and accountable funds.

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, asset is recognized in operations.

(d) Non-financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by the Education Body because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Education Body.

(e) Tangible Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. The Minister grants to the Education Body the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. Capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Capital assets with a value of less than $50,000 are recorded as a current expenditure.

(f) Revenue Recognition

Government Transfers:

Revenues are recognized in the period in which the transactions or events occur 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, 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 assets are recognized as acquired or built.

(f) Revenue Recognition - (Continued)

GNWT – Regular Contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Education Body 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 GNWT.

Other Contributions:

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

Deferred Revenue:

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

Investment Income:

Investment income is recognized when received or receivable, if the amount can be reasonably estimated

(g) Infrastructure Funding

Any personnel, utilities, and leases infrastructure funding net surplus at the end of the fiscal year is recorded as a payable to the GNWT. Net deficits are not shown as receivable from the GNWT since these amounts are not repayable.

(h) Budget Data

The *Education Ac* t of the Northwest Territories requires that Education Bodies prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees of each Education Body and the budget is legally adopted by a motion of the Board in accordance with Section 135(3) of the *Education Act* .

Board approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by Sections 117(2) k,l and m of the *Education Act* .

This annual budget includes estimates of revenues, expenditures and the net operating surplus (deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Education Body.

The budget may be amended within a given fiscal year in accordance with Education Body policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

Note 2. **Summary of Significant Accounting Policies (continued)**

(i) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards 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 amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(j) Inventories Including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Education Body are treated as expenditures during the year of acquisition and are not recorded on the statement of financial position.

(k) Payroll Liabilities

According to the Northwest Territories Teachers Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th which provides for continued payment during the summer. GNWT Payroll for NWTTA starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31. Pay periods falling in July are therefore accrued.

The duties and compensation base for UNW School Year employees are scheduled to align with the academic year although actual start dates and durations vary by specific location and job function. Accordingly, the Education Body determines the start dates of their UNW employees and accrues the related payroll liability as appropriate.

All other staff are accrued to include earnings to June 30.

(l) Post-employment and Termination Benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Annual leave is payable within one fiscal year. Employees also earn retirement and severance remuneration based on the number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Payment of the removal and termination is dependent on employees leaving the Education Body and other criteria as outlined in the negotiated collective agreements and management handbook guidelines of the GNWT.

Note 2. **Summary of Significant Accounting Policies (continued)**

(m) Special Purpose Funds

School activity funds which are fully controlled by the Education Body with respect to when and how the funds available can be disbursed are included. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefits.

Student activity funds which are controlled by students or parties other than the Education Body are not included even if custody of the funds is held by the Education Body.

Note 3. **Future Accounting Changes**

Financial Instruments - Section PS 3450

PSAB has implemented changes to Section PS 3450, Financial instruments that outlines offsetting of financial assets and financial liabilities and the valuation of investments to be measured at fair value. These changes are to be applied on a go forward basis for all fiscal years beginning on or after April 1, 2019. Management is currently assessing the impact of the standard.

Inter-entity Transactions - Section PS 3420

PSAB approved Section PS 3420, Inter-entity transactions. This section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The new standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

Student Activity/Fiduciary Funds Policy

Student Activity/Fiduciary funds policy is currently under review by the GNWT - ECE for possible inclusion in Special Purpose Funds. At this time no formal directive has been released and, therefore management is unable to determine any impact that may exist on the financial statements.

Note 4. **Cash and Cash Equivalents**

	2017	2016
Cash	$ 2,383,751	$ 3,148,944
Short term investments	-	-
	$ 2,383,751	$ 3,148,944

Note 5. **Special Purpose Funds**

Special purpose funds consist of account balances held by each of the individual District Education Authorities for which the Education Body has control of when and how the funds are disbursed.

	2017	2016
Colville Lake	$ 24,090	$ 11,714
Deline	56,622	50,356
Fort Good Hope	62,010	65,172
Norman Wells	103,978	87,611
Tulita	37,344	52,581
	$ 284,044	$ 267,434

Note 6. **Restricted Assets - Not Applicable**

Note 7. **Portfolio Investments - Not Applicable**

Note 8. **Accounts Receivable**

	Receivables 2017	AFDA 2017	Net 2017	Net 2016
GNWT - ECE	$ 180,730	$ -	$ 180,730	$ 66,776
GNWT - MACA	22,950	-	22,950	130,000
GNWT - Justice	27,925	-	27,925	27,925
GNWT - HSS	9,904	-	9,904	11,140
GNWT - ENR	320	-	320	-
Total Due from GNWT	241,829	-	241,829	235,841
WSCC	22,534	-	22,534	-
Other	372,295	89,029	283,266	98,676
	$ 636,658	$ 89,029	$ 547,629	$ 334,517

Note 9. **Inventories - Not Applicable**

Note 10. **Accounts Payable and Accrued Liabilities**

		2017		2016
Accounts payable and accrued liabilities				
GNWT	$	357	$	2,800
WSCC		22,534		19,006
Trade payables		128,730		149,371
		151,621		171,177
Payroll liabilities				
UNW School Year & NWTTA		1,482,231		1,452,928
Leave		66,697		223,161
Sahtu DEC employment contracts		-		231,000
		1,548,928		1,907,089
	$	1,700,549	$	2,078,266

Note 11. **Deferred Revenue**

		2017		2016
MACA				
Active After School	$	76,500	$	76,500
Youth Contribution		1,655		1,966
Regional Youth Sports		46,740		43,500
Drama		5,000		5,000
Justice				
Community Justice		45,973		51,350
ITI				
Seed		5,000		-
Other				
Food First		-		3,857
Library		103,176		84,547
Breakfast Program		-		715
	$	284,044	$	267,435

Note 12. **Contribution Repayable - Not Applicable**

Note 13. **Due From and To the Government of Canada - Not Applicable**

Note 14. **Capital Lease Obligations - Not Applicable**

Note 15. **Pension - Not Applicable**

Note 16. **Long-term Debt - Not Applicable**

Note 17. **Post-employment Benefits**

The Education Body provides severance (resignation and retirement), removal and compensated absence (sick, special maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a deficit equal to the accrued post-employment benefits obligation.

Severance benefits are paid to employees based on the types of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment, and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the Projected Unit Credit methodology.

Compensated absence benefits generally accrue as employees render services and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under the compensated absence benefits were valued using the expected utilization methodology.

Change in estimate

During the year ended June 30, 2016, the method for calculating other employee future benefits and compensated absences was refined to better reflect the probability that these benefits would be used in the future based on past experience. This change in accounting estimate is being accounted for on a prospective basis starting July 1, 2016 which increases the compensation and benefits expense and increases the other employee future benefits and compensated absences liability by $471,316.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Terminations Benefits for the consolidated Government.

Note 17. **Post-employment Benefits (continued)**

	Severance and removal	Compensated Absences	2017	2016 *Restated*
Changes in Obligation				
Accrued benefit obligations beginning of the year	$ 732,996	$ 72,216	$ 805,211	$ 1,592,245
Current period benefit cost	55,264	7,832	63,096	310,816
Interest accrued	23,430	2,406	25,836	41,209
Benefits payments	(84,198)	(9,730)	(93,928)	(224,097)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	22,035	58,094	80,129	(914,962)
Accrued benefit obligation end of year	749,527	130,818	880,344	805,211
Unamortized net actuarial gain	596,615	131,826	728,441	914,961
Net future obligation	1,346,142	262,644	1,608,785	1,720,172
Benefits Expense				
Current period benefit cost	55,264	7,832	63,096	310,816
Interest accrued	23,430	2,406	25,836	41,209
Plan amendments	-	-	-	-
Amortization of actuarial gains	(81,401)	(24,989)	(106,390)	-
	(2,707)	(14,751)	(17,458)	352,025

The discount rate used to determine the accrued benefit obligation is an average of 3.3%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance and removal	Compensated Absences	Total
2018	$ 150,440	$ 24,691	$ 175,131
2019	118,593	20,271	138,864
2020	113,241	19,148	132,389
2021	94,238	18,133	112,371
2022	75,108	14,999	90,107
	$ 551,620	$ 97,242	$ 648,862

Prior period adjustment

In the prior year, the Post-employment benefits liability was recorded as the Accrued benefit obligation from the actuaries report. This represents a departure from Canadian public sector accounting principles because it does not include the Unamortized net actuarial (gain)/loss. The correct treatment is to record the Accrued benefit liability which consists of the Accrued benefit obligation plus the Unamortized net actuarial (gain)/loss. This has resulted in the understatement of post-employment benefits, and employee benefits and allowances expense, and the overstatement of accumulated surplus by $914,961. The balances have been adjusted retrospectively.

Note 18. **Trust Assets and Liabilities under Administration - Not Applicable**

Note 19. **Tangible Capital Asset - Not Applicable**

Note 20. **Prepaid Expenses**

	2017	2016
Prepaid expenses	$ 26,813	$ 14,830

Note 21. **Accumulated Surplus/Deficit - Not Applicable**

(Not applicable, breakdown included in Statement of Financial Position)

Note 22. **Capital Advances - Not Applicable**

Note 23. **GNWT Assets Provided at No Cost**

	Cost	Accumulated Amortization	Net Book Value 2017	2016
Buildings				
Schools and colleges	$ 65,871,060	$ 19,560,290	$ 46,310,770	$ 47,502,082
Staff Housing	275,800	88,616	187,184	199,526
	$ 66,146,860	$ 19,648,906	$ 46,497,954	$ 47,701,608

Note 24. **Contractual Obligations**

The Education Body has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2017.

	Expires in Fiscal Year *	2018	2018 and thereafter	Total
Commercial and residential leases	2023	$ 106,752	$ 533,760	$ 640,512

* Refers to the last fiscal year of all agreements in that line category

The lease on the Council's office expires on August 31, 2023. A 15 year lease agreement was entered into at the Edward Hodgson Building with monthly lease payments starting September 1, 2008. From September 1, 2008 to August 31, 2018 the annual lease payments will remain at $106,752, After 10 years, the lease amount will be adjusted based on the expected market conditions for the following 5 years.

In addition, the Council is responsible for its proportionate share of utilities and cleaning services received during its term of occupancy.

Note 25. **Contingencies**

The Council had employment agreements directly with senior management personnel which were transferred to the GNWT in the year. Part of transferring the agreements included cancelling contracts with third party benefit providers. Management expects that there will penalties associated with the contract cancellations. At present, the potential penalties are not determinable. The amount of any future fees would be accounted for as current transactions in the year they are levied.

Note 26. **Related Parties**

The Education Body is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Education Body enters into transactions with these entities in the normal course of operations. The Education Body is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, payroll services by the Department of Human Resources, internal audit services by the Department of Finance, and utility and maintenance by Public Works and Services. Transactions with related parties and balances at year-end not disclosed elsewhere in the financial statements are disclosed in this note. There are no related party balances not disclosed elsewhere.

Note 27. **Budget**

The Education Act of the Northwest Territories requires that Education Bodies 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 Education Body which may or may not include the establishment of 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 revenues 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 Education Body.

The budget figures presented are those approved by the Minister of education, Culture and Employment on June 13, 2016 and have not been audited.

Note 28. **Economic Dependence**

The Sahtu District Education Council received its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that Sahtu District Education Council operations would be significantly affected.

Note 29. **Financial Instruments**

The Education Body is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Education Body's risk exposure and concentration as of June 30, 2017.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Education Body has little exposure to credit risk as the majority of its revenues originate from government sources with strong credit worthiness.

Note 29. **Financial Instruments (continued)**

Liquidity

Liquidity risk is the risk the Education Body will not be able to meet its obligations as they come due. The Education Body manages its liquidity requirements by preparing detailed cash budgets and having cash available on hand to meet its obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is composed of currency risk, interest rate risk and other price risk.

Currency risk

The Education Body deals exclusively in Canadian funds and therefore has no currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. The Education Body minimizes risk through its normal operating and financing activities and maintains cash in a general bank account.

Note 30. **Expenses by Object**

	2017 Budget	2017 Actual	2016 Actual
Salaries	$ 12,249,290	$ 12,417,152	$ 12,409,109
Employee Benefits	420,471	1,081,498	397,883
Services Purchased/Contracted	1,501,011	1,567,577	1,482,860
Materials, Supplies and Freight	669,834	717,487	718,016
Debt Services	-	-	-
	$ 14,840,606	$ 15,783,714	$ 15,007,868

Note 31. **Subsequent Events - Not Applicable**

Note 32. **Comparative Figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

Note 33. **Other ECE Revenue**

	2017	2016
Infrastructure funding	$ 34,512	$ 133,838
Self regulation	18,750	7,578
Library	140,000	114,900
Literacy Initiative	10,838	-
Less: Deferred revenue & contributions repaid	(23,383)	(84,547)
	$ 180,717	$ 171,769

Note 34. **GNWT - Other Contributions**

	2017	2016
MACA		
Active After School	76,500	91,800
Local Sport Leader's Development	5,000	-
Youth Contribution	-	5,000
Regional Youth Sports	46,300	43,500
On the land	-	5,000
TAKT	8,000	39,000
Drama	5,000	5,000
Youth Pride	5,000	-
HSS		
Drop The Pop	8,190	11,300
Nutrition North	29,332	29,332
ITI		
Seed	5,000	-
Agriculture	5,000	-
Greenhouse Project	7,000	-
Justice		
Community Justice	55,850	55,800
Not Us	-	5,000
Other		
Aurora College ALCIP	177,100	155,000
Safe and caring	-	5,900
Less: Deferred revenue & contributions repaid	(29,996)	44,261
	$ 403,276	$ 495,893

Note 35. **Statement of Remeasurement Gains and Losses - Not Applicable**

Sahtu Divisional Education Council

Schedule A-1 - Statement of Council Operations and Financial Position (Non-Consolidated)

For the year ended June 30, 2017

	2017 Budget	**2017 Actual**	2016 Actual
Revenue			
Government of the Northwest Territories	$ 14,736,600	$ 15,572,392	$ 14,927,490
Other education body generated funds	293,381	142,871	171,387
	15,029,981	15,715,263	15,098,877
Expenditure			
Administration	1,217,131	1,504,965	1,150,425
School programs	9,689,783	10,106,659	9,732,957
Inclusive schooling	2,517,099	2,152,768	1,994,500
Operations and maintenance	-	146,342	469,893
Aboriginal languages	1,537,593	1,401,190	1,281,389
	14,961,606	15,311,924	14,629,164
Excess (Deficiency) of Revenue over Expenditure	$ 68,375	$ 403,339	$ 469,713
Accumulated surplus (deficit), beginning of year		1,949,892	1,480,179
Accumulated surplus (deficit), end of year		$ 2,353,231	$ 1,949,892

SATHU DIVISIONAL EDUCATION COUNCIL

Schedule A-2 - Details of Council Expenses (Non-Consolidated)

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	2017 Total
Salaries								
Teachers' salaries	$ 7,273,632	$ 806,300	$ -	$ -	$ -	$ 1,198,207	$ -	$ **9,278,139**
Instruction Assistant	11,887	798,468	-	-	-	100,616	-	**910,971**
Non Instructional Staff	1,011,819	-	-	-	710,858	-	-	**1,722,677**
Board/Trustee Honoraria	-	263,451	-	-	17,418	55,609	-	**336,478**
	8,297,338	1,868,219	-	-	728,276	1,354,432	-	**12,248,265**
Employee Benefits								
Employee benefits and allowances	26,108	-	-	-	-	-	-	**26,108**
Leave and termination benefits	472,460	-	-	-	582,930	-	-	**1,055,390**
	498,568	-	-	-	582,930	-	-	**1,081,498**
Services Purchased/Contracted								
Professional/Technical Services	457,977	22,212	-	-	-	-	-	**480,189**
Postage/Communication	46,823	-	-	-	33,864	-	-	**80,687**
Utilities					-			
Heating	-	-	-	-	-	-	-	**-**
Electricity	-	-	-	-	-	-	-	**-**
Water/Sewage	-	-	-	-	-	-	-	**-**
Travel	99,091	87,078	-	-	88,335	2,047	-	**276,551**
Student Travel (busing)	151,500	-	-	-	-	-	-	**151,500**
Advertising/Printing/Publishing	1,417	-	-	8,796	-	18,755	-	**28,968**
Maintenance/Repair	37,454	-	-	4,850	-	-	-	**42,304**
Rentals/Leases	-	-	-	132,696	-	-	-	**132,696**
Other - Contracted Services	42,732	132,497	-	-	-	-	-	**175,229**
Other - Miscellaneous	22,931	-	-	-	39,153	20,883	-	**82,967**
	859,925	241,787	-	146,342	161,352	41,685	-	**1,451,091**
Materials, Supplies and Freight								
Materials	433,863	39,853	-	-	28,336	1,899	-	**503,951**
Freight	16,965	2,909	-	-	4,071	3,174	-	**27,119**
	450,828	42,762	-	-	32,407	5,073	-	**531,070**
Contributions and Transfers								
Transfers to DEAs	-	-	-	-	-	-	-	**-**
Transfers to Capital	-	-	-	-	-	-	-	**-**
Amortization	-	-	-	-	-	-	-	**-**
Debt Services	-	-	-	-	-	-	-	**-**
Total	$ 10,106,659	$ 2,152,768	$ -	$ 146,342	$ 1,504,965	$ 1,401,190	$ -	$ **15,311,924**

SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-1 District Education Authorities
Statement of Operations - Non-Consolidated

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	121,000	121,000
GNWT	-	398,893	438,081
Other	-	-	12,115
Deferred Revenue	-	(20,467)	(61,010)
Contributions Repaid	-	(25,172)	(7,483)
	-	353,254	381,703
Total revenue	-	474,254	502,703
Expenditure			
Administration	-	118,538	115,670
School programs	-	349,672	340,364
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	3,580	42,341
	$ -	471,790	498,375
Surplus (Deficit)	-	2,464	4,328
Opening equity		48,100	43,772
Closing equity		$ 50,564	$ 48,100
Composition of Ending Accumulated Surplus			
Cash		$ -	$ -
Accounts receivable		50,564	48,516
Accounts payable		-	(416)
		$ 50,564	$ 48,100

SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-2 - Details of DEA Expenses
Non-Consolidated
For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accom.	Operations and Maintenance	Council Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	97,932	-	-	-	51,976	-	149,908
Board/Trustee Honorarium	-	-	-	-	18,979	-	18,979
	97,932	-	-	-	70,955	-	168,887
Employee Benefits							
Employee Benefits and Allowances	-	-	-	-	-	-	-
Leave and Termination	-	-	-	-	-	-	-
	- -	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	6,000	-	-	-	-	-	6,000
Postage/Communication	-	-	-	-	-	-	-
Utilities							
Heating	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-
Travel	62,362	-	-	-	-	479	62,841
Student Transportation (busing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	1,250	1,250
Rentals/Leases	-	-	-	-	-	-	-
Other - Fees	5,200	-	-	-	-	-	5,200
Other - Special Requests	-	-	-	-	41,195	-	41,195
	73,562	-	-	-	41,195	1,729	116,486
Materials/Supplies/Freight							
Materials	168,765	-	-	-	6,388	1,851	177,004
Freight	9,413	-	-	-	-	-	9,413
	178,178	-	-	-	6,388	1,851	186,417
Total	$ 349,672	$ -	$ -	$ -	$ 118,538	$ 3,580	471,790

COLVILE LAKE

District Education Authority
Statement of Operations

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 16,000	$ 16,000
GNWT	-	24,090	20,878
Other	-	-	3,900
Deferred Revenue	-	(12,376)	(11,714)
Contributions Repaid	-	(7,567)	-
	-	20,147	29,064
Expenses			
Administration	-	10,005	13,574
School programs	-	4,146	5,064
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	8,000
	-	14,151	26,638
Surplus (Deficit)	-	5,996	2,426
Opening equity		13,390	10,964
Closing equity		$ 19,386	$ 13,390
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		19,386	13,390
Accounts Payable		-	-
		$ 19,386	$ 13,390

COLVILLE LAKE

District Education Authority
Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	7,285	-	7,285
Board/Trustee Honoraria	-	-	-	-	2,720	-	2,720
	-	-	-	-	10,005	-	10,005
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Materials/Supplies/Freight							
Materials	4,146	-	-	-	-	-	4,146
Freight	-	-	-	-	-	-	-
	4,146	-	-	-	-	-	4,146
Total	$ 4,146	$ -	$ -	$ -	$ 10,005	$ -	$ 14,151

DELINE

District Education Authority
Statement of Operations

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 25,000	$ 25,000
GNWT	-	85,200	70,924
Other	-	-	-
Deferred Revenue	-	(6,266)	7,290
Contributions Repaid	-	(6,753)	(2)
	-	97,181	103,212
Expenses			
Administration	-	25,449	22,229
School programs	-	68,600	74,896
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	3,580	7,317
	-	97,629	104,442
Surplus (Deficit)	-	(448)	(1,230)
Opening equity		2,390	3,620
Closing equity		$ 1,942	$ 2,390
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		1,942	2,390
Accounts Payable		-	-
		$ 1,942	$ 2,390

DELINE

District Education Authority
Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	36,530	-	-	-	11,156	-	47,686
Board/Trustee Honoraria	-	-	-	-	7,905	-	7,905
	36,530	-	-	-	19,061	-	55,591
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	479	479
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	1,250	1,250
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-	-	-	-	-	1,729	1,729
Materials/Supplies/Freight							
Materials	26,666	-	-	-	6,388	1,851	34,905
Freight	5,404	-	-	-	-	-	5,404
	32,070	-	-	-	6,388	1,851	40,309
Total	$ 68,600	$ -	$ -	$ -	$ 25,449	$ 3,580	$ 97,629

FORT GOOD HOPE

District Education Authority
Statement of Operations

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 25,000	$ 25,000
GNWT	-	72,047	82,562
Other	-	-	1,358
Deferred Revenue		3,162	(9,106)
Contributions Repaid	-	(594)	(15)
	-	99,615	99,799
Expenses			
Administration	-	17,725	30,413
School programs	-	74,615	67,235
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	7,563
	-	92,340	105,211
Surplus (Deficit)	-	7,275	(5,412)
Opening equity		(416)	4,996
Closing equity		$ 6,859	$ (416)
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		6,859	-
Accounts Payable		-	(416)
		$ 6,859	$ (416)

FORT GOOD HOPE

District Education Authority
Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	26,981	-	-	-	11,254	-	38,235
Board/Trustee Honoraria	-	-	-	-	4,369	-	4,369
	26,981	-	-	-	15,623	-	42,604
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	14,217	-	-	-	-	-	14,217
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	2,102	-	2,102
	14,217	-	-	-	2,102	-	16,319
Materials/Supplies/Freight							
Materials	33,417	-	-	-	-	-	33,417
Freight	-	-	-	-	-	-	-
	33,417	-	-	-	-	-	33,417
Total	$ 74,615	$ -	$ -	$ -	$ 17,725	$ -	$ 92,340

NORMAN WELLS

District Education Authority
Statement of Operations

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 29,000	$ 29,000
GNWT	-	160,146	171,117
Other	-	-	1,295
Deferred Revenue	-	(17,662)	(38,330)
Contributions Repaid	-	(770)	(844)
	-	170,714	162,238
Expenses			
Administration	-	46,041	27,112
School programs	-	141,714	121,779
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	11,459
	-	187,755	160,350
Surplus (Deficit)	-	(17,041)	1,888
Opening equity		19,765	17,877
Closing equity		$ 2,724	$ 19,765
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		2,724	19,765
Accounts Payable		-	-
		$ 2,724	$ 19,765

NORMAN WELLS

District Education Authority
Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	9,400	-	-	-	11,023	-	20,423
Board/Trustee Honoraria	-	-	-	-	-	-	-
	9,400	-	-	-	11,023	-	20,423
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	6,000	-	-	-	-	-	6,000
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	31,496	-	-	-	-	-	31,496
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	35,018	-	35,018
Other - Fees	5,200	-	-	-	-	-	5,200
	42,696	-	-	-	35,018	-	77,714
Materials/Supplies/Freight							
Materials	85,772	-	-	-	-	-	85,772
Freight	3,846	-	-	-	-	-	3,846
	89,618	-	-	-	-	-	89,618
Total	$ 141,714	$ -	$ -	$ -	$ 46,041	$ -	$ 187,755

TULITA

District Education Authority
Statement of Operations

For the year ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 26,000	$ 26,000
GNWT	-	57,410	92,600
Other	-	-	5,562
Deferred Revenue		12,675	(9,150)
Contribution Repayable	-	(9,488)	(6,622)
	-	86,597	108,390
Expenses			
Administration	-	19,318	22,342
School programs	-	60,597	71,390
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	8,002
	-	79,915	101,734
Surplus (Deficit)	-	6,682	6,656
Opening equity		12,971	6,315
Closing equity		$ 19,653	$ 12,971
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		19,653	12,971
Accounts Payable		-	-
		$ 19,653	$ 12,971

TULITA

District Education Authority
Details of Expenses

For the year ended June 30, 2017

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	25,021	-	-	-	11,258	-	36,279
Board/Trustee Honoraria	-	-	-	-	3,985	-	3,985
	25,021	-	-	-	15,243	-	40,264
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	16,649	-	-	-	-	-	16,649
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	4,075	-	4,075
	16,649	-	-	-	4,075	-	20,724
Materials/Supplies/Freight							
Materials	18,764	-	-	-	-	-	18,764
Freight	163	-	-	-	-	-	163
	18,927	-	-	-	-	-	18,927
Total	$ 60,597	$ -	$ -	$ -	$ 19,318	$ -	$ 79,915

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL

FORT SMITH, NT.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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Management Discussion and Analysis
For the year ended June 30, 2017

Introduction

This management discussion and analysis is prepared as part of the responsibility of management and the *South Slave Divisional Education Council* (SSDEC) to promote transparency and accountability in its financial reporting.

The SSDEC was established in 1991 with a mandate to provide a quality pre-kindergarten (4 yr olds) to grade twelve education to approximately 1,300 students in the communities of Hay River, Fort Smith, K'atlodeeche, Fort Resolution and Lutsel K'e. The SSDEC is comprised of one representative from each of the five community-based District Education Authorities (DEAs). DEAs are elected or appointed at the community level, and each DEA chooses one of its members to represent them at the regional SSDEC meetings. The 2016-17 representatives were as follows:

Fort Smith – Ann Pischinger (Chairperson)
Fort Resolution – Bess Ann McKay (Vice-Chairperson)
Hay River – Kandis Jameson
K'atlodeeche – Wanda Salopree
Lutsel K'e – Prairie Desjarlais

Key senior management positions were as follows:

Superintendent – Dr. Curtis Brown
Assistant Superintendent – Dr. Joseph Pearce
Comptroller – James Watts, CPA, CMA

The SSDEC and its DEAs are committed to a philosophy of education which is built upon a foundation of enabling communities, DEAs, schools, staff members, and parents to help students reach their potential. Student achievement is at the heart of everyone's work at the SSDEC and is the common thread connecting the Council's vision, mission, beliefs and values.

VISION
All individuals reach their educational potential
MISSION
The South Slave Divisional Education Council strives to prepare students to create their futures by ensuring high levels of learning for ALL.

The SSDEC is committed to improving student *literacy*, *numeracy* and *social responsibility* as the key priorities for student success in school and in life.

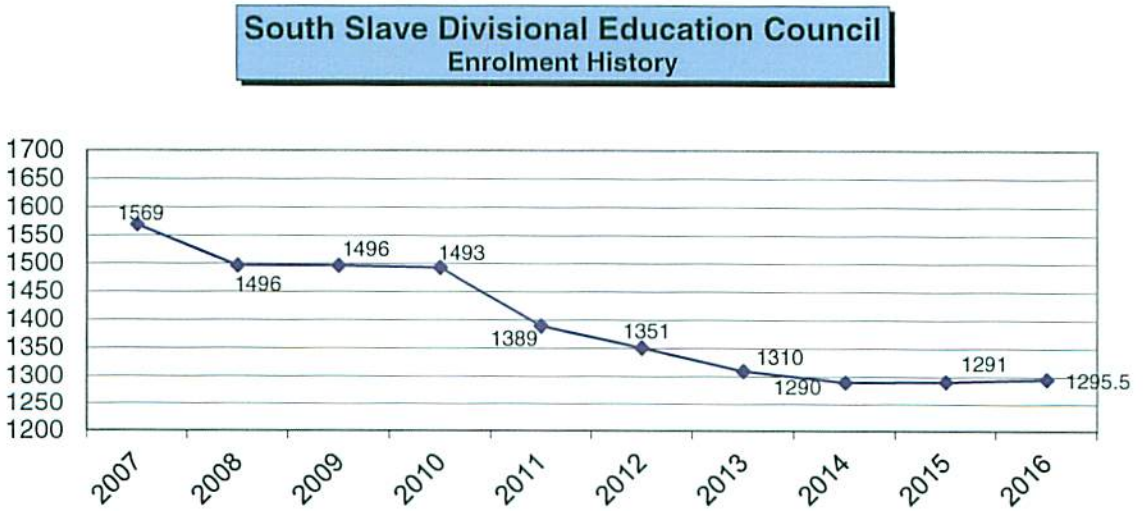
Operating Environment

The SSDEC receives the financial resources for the entire division on an annual basis, largely through a funding formula established by the *GNWT Department of Education, Culture and Employment (ECE).* Unfortunately, there are a number of unfunded and underfunded areas in the formula. For example:

- school boards are funded based on prior year staff salaries yet collective agreement provisions provide annual salary increments to staff which school boards must pay
- ECE confirms that they are underfunding school boards more than $1 million per year for the hiring of casuals resulting from staff leave provisions in the collective agreements
- several of the funding formula line items are not indexed to keep up with inflation and have not increased in over 15 years (bussing contracts and repairs, for example, have probably more than doubled in that same timeframe)
- when the formula was in the process of being updated and for the 2016-17 budget year the Council had been provided with no details on how our allocations were calculated.

A funding reduction (inclusive schooling) and an expanded mandate (adding junior Kindergarten with less funding) have also contributed to the financial challenges of the SSDEC in recent years. Prior to these decisions, the NWT already had the third worst student-educator ratio of all the provinces and territories in Canada (see http://www.statcan.gc.ca/pub/81-582-x/2013001/tbl/tblc2.3-eng.htm) and the second highest percentage of students with special needs.

Shrinking enrolment has also brought significant challenges over the last several years. South Slave student enrolment is now almost two thirds what it was fifteen years ago (approx. 1300 now vs. over 1800 previously). Fewer students means less funding and less flexibility the Council has to allocate the resources necessary to continue to fund its priorities and a diversity of program offerings.



The SSDEC continues to address the funding challenges by annually reviewing and applying their budget assumptions and priorities:

1. Approve a regional budget each year that prioritizes funding for the Council priorities.
2. Approve a budget each year that maintains an accumulated fund balance of at least $500,000 after taking into account school staffing surpluses.
3. Ensure fair and equitable distribution of funds to schools and DEAs and minimize conflict between Council reps/DEAs.
4. Provide for significant community-based priority setting and related budgeting.
5. Provide transparency in budget process and allocations, and
6. Consider expenditures against a Council surplus over $500,000, after taking into account school staffing surpluses, each year.

Each year the SSDEC determines the key priorities as well as the unfunded and underfunded areas that simply can't be overlooked, and budgets for those costs first. Upon notification of resulting allocations, staffing plans are developed by school principals for approval of their respective DEAs and the superintendent (prior to March 15th) so that the majority of teacher staffing for the next year can occur while quality applicants are still available. The SSDEC and schools have also been very successful in identifying, applying for and obtaining third party funding in order to supplement program offerings.

Another challenge for the Council is the low levels of readiness of many young children entering the school system, poor attendance by many students, and disengaged parents, probably related to the intergenerational effects of residential schooling. These varying levels and engagement can make it difficult to catch up and retain these students so that they progress and reach their potential.

In an effort to improve the life chances of more and more children, since 2007 the SSDEC has focused on a few key priorities, with carefully chosen research based strategies, and a long term and relentless commitment to results:

To improve student success in *literacy*	To increase the percentage of students meeting or exceeding expectations for reading proficiency
To improve student success in *numeracy*	To increase the percentage of students meeting or exceeding expectations for numeracy proficiency
To increase understanding and practice of *socially responsible behaviour* by all members of the school community	To increase the percentage of trustees, staff and students demonstrating responsible behaviour

Accordingly, Council has remained committed to funding the *Leadership for Literacy* initiative that places and trains experienced teachers in instructional coach roles in their respective schools. These coaches provide training and in-classroom support to other teachers and support staff so that more students will achieve success in literacy and math, the essential skills required for success in school and in life.

Much has been accomplished as evidenced by improving student achievement results over the past several years. Further indicative of the SSDEC's success are the various awards received including the three *Ministerial Literacy Awards* for the *SSDEC Literacy Project*, the *Premier's Award of Excellence* for the *Trades Awareness Program* partnership, and then the *Premier's Award for Collaboration* (with Aurora College, South Slave Career Centres, Fort Smith and Hay River Health Authorities) for the *South Slave Healthy Communities Partnership* in 2009.

Further, the SSDEC's Leadership for Literacy initiative has been recognized nationally as well, being awarded *Indspire's (aka National Aboriginal Acheivement) Indigenous Education Organization Award* in 2016, the *Canadian Education Association* (CEA) *and Reader's Digest Canadian Innovators in Education Award* 2015, and runner up for the CEA's *"Innovation that Sticks" Award and Case Study Program.* This is on the heals of the SSDEC becoming the first school board in Canada to win Gold in the education category of the *Public Sector Leadership Awards*, as selected by the *Institute of Public Administration of Canada* (IPAC) and Deloitte in 2014.

South Slave staff and students are excelling and benefitting accordingly as well being awarded Aside from the recognition of the Council and the impressive recipients of the *SSDEC Excellence in Education Awards*, four of the South Slave school principals have now been selected to the exclusive National Academy of *Canada's Outstanding Principals* (*The Learning Partnership*), and the SSDEC Superintendent and Assistant Superintendent are the first and only northern recipients of the *Canadian Superintendent of the Year* award (*Canadian Association of School System Administrators (CASSA) & American Association of School Administrators (AASA).* Two of the five SSDEC trustees also received the *Queen's Diamond Jubilee* medals for exemplary service to their communities. The South Slave DEC also has 6 inductees into the NWT Education Hall of Fame

Two of the South Slave's educators have also received *Indspire Indigenous Educator Awards* and another aboriginal teacher received the *Prime Minister's Award for Teaching Excellence.* These awards are examples of how effective literacy efforts are being encouraged and supported in our Aboriginal language programs in Cree, Slavey and Chipewyan; not just English and French.

Council understands that the more engaged students and parents are, the more likely children are to achieve. This is why Council has five targets for improvement that involve parents. Below are the targets and the results for 2016/17:

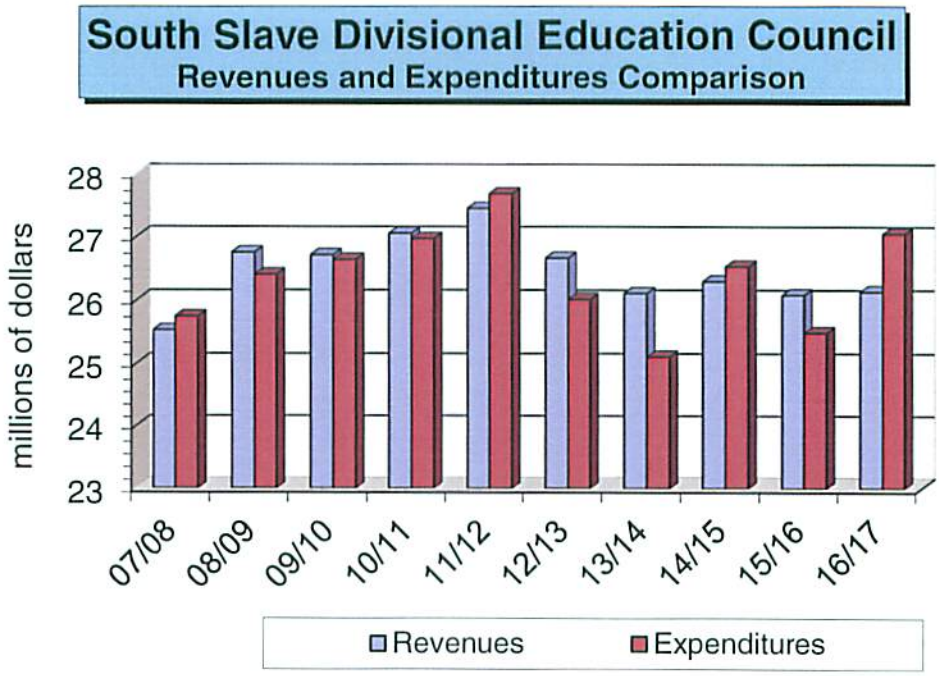
- 95% of parents (75% response rate) have discussed with their teacher and understand their child's *reading* strengths and stretches (target 90% of parents with 60% response rate)
- 94% of parents say they are satisfied with their child's growth as a *reader* (target 90%)
- 93% of parents (75% response rate) have discussed with their teacher and understand their child's *math* strengths and stretches (target 90% of parents with 60% response rate)
- 92% of parents say they are satisfied with their child's growth in *math* (target 90%)

Still, only about half of South Slave students attend at least 90% of the time, meaning that half of our students have missed a full year of schooling by the time they reach grade 10. There has also been an increase in staff use of long-term leave requests due to mental health issues. As we are unsure when staff will be able to return to their classrooms, we increasingly find ourselves hiring unqualified substitutes for repeated one and two month periods. This is not only disruptive to classroom routine, but compromises the quality of students' education and is costly for the SSDEC.

ECE's new *Education Renewal and Innovation* initiative includes aspects that look to help educate and provide support for mental health and wellness of both staff and students. Recent SSDEC strategies and targets are also intended to improve student attendance, ownership for their learning (inquiry-based, 21st century learning), pride and resiliency as part of its academic and social responsibility priorities.

Financial Condition

The bar chart below provides a historical comparison of revenues and expenditures over the past ten years.



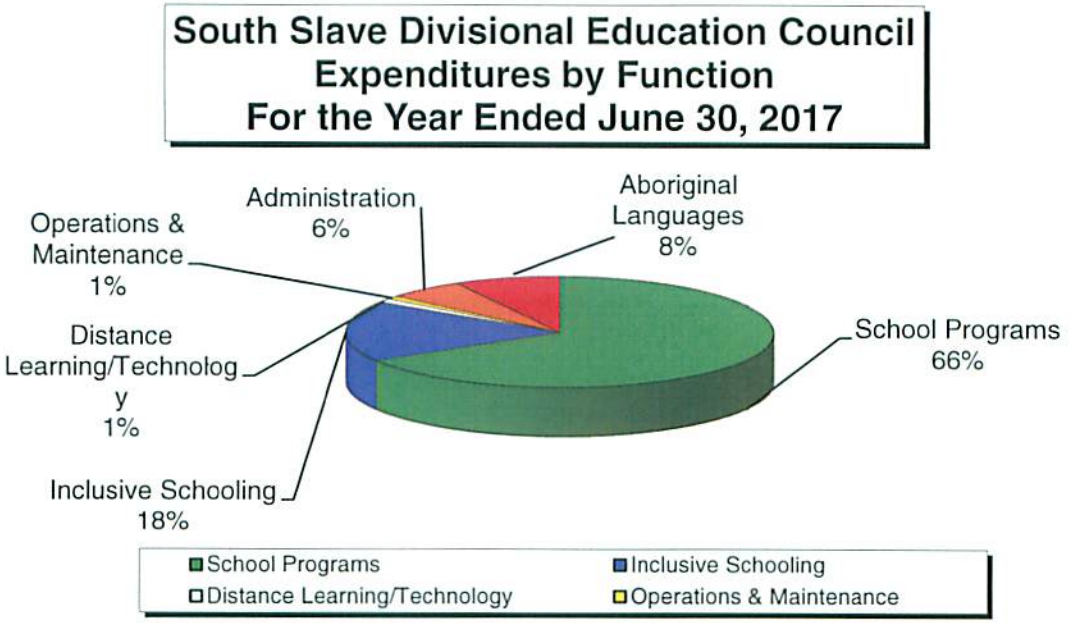
For the year ended June 30, 2017 the Council had an operating deficit of $916,568 inclusive of DEA surpluses and deficits. This was higher than the projected deficit of $535,204 due to a higher than normal adjustment to the Council's employee future benefits liability amount. The GNWT instructed the Council to use a different figure than last year. Also this year, payout of severance and annual leave to our Superintendent accounted for higher than projected costs while savings in other areas helped to offset these additional expenditures. Examples of savings were lower than budgeted average salaries and a number of employees on long-term sick leave without pay who were replace temporarily with casual staff at a lower rate of pay.

The accumulated uncommitted fund balance for the Council now sits at $666,930 (see chart below) which is $166,930 above the Council's minimum fund balance of $500,000 spelled out in policy DFAA – Financial Surplus. The Council's budget for 2017/18 is a deficit budget of $213,245 that, if realized, would bring the Council's accumulated fund balance down to $453,685.

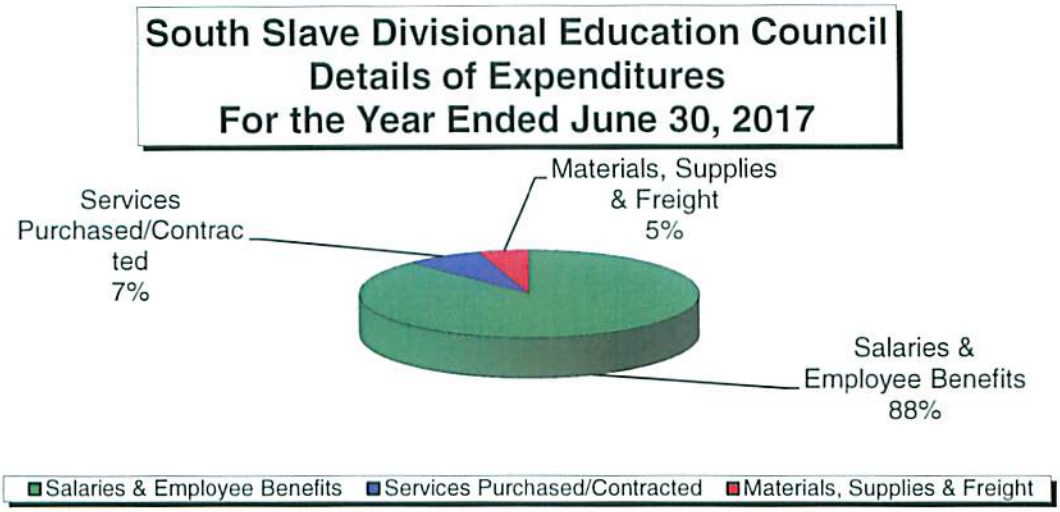
	2017	2016
Accumulated Fund Balance at beginning of year	$2,824,274	$2,229,630
Operating Surplus/(Deficit) for year	(916,568)	594,644
Accumulated Fund Balance at end of year	$1,907,706	$2,824,274
Commitments against Fund Balance	(1,240,776)	(2,235,470)
Uncommitted Fund Balance at end of year	$ 666,930	$ 588,804

Currently the Council's liquidity position is good but, given the back-end loading of allocation to school boards by ECE, there is still the concern that funds could be short around the end of March. Given that about 88% (see second chart below) of the SSDEC's expenditures are for staffing payroll and benefits, any unanticipated reductions in allocations from ECE, or unexpected expenditures, would be difficult to adjust for until the following school year.

The chart below breaks down the Council's expenditures according to the functions identified. ECE mandates that 15% of the Council's expenditures be in Inclusive Schooling. Inclusive Schooling made up 18% of the Council's expenditures in 2016-17. Funding spent on Aboriginal Languages is also above what was funded by ECE. A standard range of 5-7% is generally accepted as reasonable for administration expenses. As indicated below the Council's percentage for 2016-17 is right in the middle of that range at 6%.



The chart below breaks down the Council's expenditures into three main categories: Salaries and Employee Benefits, Materials/Supplies and Freight and Purchased/Contracted Services.



Summary and Outlook

In summary, the SSDEC is currently in a positive financial position above the Council Policy that requires at least a $500,000 uncommitted surplus. This could change during the upcoming year given the 2017/18 deficit budget and depending on the final version of the Department's new surplus policy to which the Council policy DFAA may need to be adapted.

The Council will continue to struggle with the funding issues related to the expanded mandate of Junior Kindergarten coinciding with reductions in allocations from ECE. Approximately 60 additional four year old students have been added to our count from this past September but the overall allocations from ECE have not increased accordingly. Also the uncertainty concerning whether schools were going to be offering full or half-time Junior Kindergarten, and related bussing created uncertainty when developing our 2017/18 budget.

The Council is also wary of the process being undertaken by the Department concerning shared services. Legitimate areas where cost savings could be realized would be welcome but differences in how the various regions operate may make these efforts difficult and unworkable. The process is very rushed with no consultation with the members of Council, raising fears that resulting decisions may have an adverse effect on the quality of school programs and services.

Council is concerned that the significant progress that has been made in the South Slave in the past several years could be undone with any further efforts to reduce local input and centralize, combined with any further reductions in allocations, compounded by existing unfunded and underfunded expenses (salary increments, casual costs, etc.) and cost increases (several formula funding lines not indexed to keep up with inflation), resulting in an escalating student-educator ratio and a decrease in the quality and quantity of education programs and services that can be offered.

Creating Futures

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of South Slave Divisional Education Council have been conducted within the statutory powers of the Education Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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.

Approved and confirmed on behalf of the South Slave Divisional Education Council

Dr. Curtis Brown
Superintendent

Jamie Watt, CMA
Comptroller

July 28, 2017

AVERY COOPER & CO. LTD.
Chartered Professional Accountants

4918—50th Street, P.O. Box 1620
Yellowknife, NT X1A 2P2
www.averycooper.com

Telephone: (867) 873-3441
Facsimile: (867) 873-2353
Toll-Free: 1-800-661-0787

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of South Slave Divisional Education Council which comprise the Consolidated Statement of Financial Position as at June 30, 2017 and the Consolidated Statements of Changes in Net Financial Resources (Debt), Operations and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated financial statements.

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

Basis for Qualified Opinion

The Government of the Northwest Territories is responsible for the calculation and distribution of a significant portion of the Council's salaries and wages that appear on the consolidated statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the Council's records. Consequently, we were unable to determine whether adjustments to the financial performance and cash flows might be necessary for the years ended June 30, 2016, and June 30, 2017.

INDEPENDENT AUDITORS' REPORT (continued)

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of South Slave Divisional Education Council as at June 30, 2017 and its financial performance 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, in our opinion, proper books of account have been maintained by South Slave Divisional Education Council, the consolidated financial statements are in agreement therewith and the transactions of the Council that have come under our notice have, in all significant respects, been within the statutory powers of the Council.

Other Matter

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements of South Slave Divisional Education Council taken as a whole. The supplementary information included on Schedules 2 through 26 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of consolidated financial statements taken as a whole.

Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Chartered Professional Accountants
Yellowknife, NT

July 28, 2017

Statement I

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents (Note 4)	$6,781,784	$7,667,063
Trust Assets (Note 18)	80,030	80,251
Due from the GNWT (Note 8)	98,376	7,072
Due from the Government of Canada (Note 8)	1,574	0
Other Accounts Receivable (Note 8)	203,066	219,177
Total Financial Assets	**$7,164,829**	**$7,973,563**
Liabilities		
Bank Indebtedness	$0	$18,098
Accounts Payable and Accrued Liabilities (Note 10)	52,642	204,970
Trust Liabilites (Note 18)	80,030	80,251
Due to the GNWT (Note 10)	13,848	52,626
Payroll Liabilities (Note 10)	1,139,673	1,902,715
Deferred Revenue (Note 11)	7,067	127,199
Post-Employment Benefits (Note 17)	3,963,864	2,763,430
Total Liabilities	**$5,257,123**	**$5,149,289**
Net Financial Resources	**$1,907,706**	**$2,824,274**
Non-Financial Assets		
Prepaid Expenses (Note 20)	$0	$0
Accumulated Fund Balance	**$1,907,706**	**$2,824,274**

Contractual Obligations and Contingencies (Notes 24 and 25)

Approved:

Chairperson

Comptroller

See attached notes and schedules.

Statement II

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL RESOURCES
For the Year Ended June 30, 2017

	Unaudited 2017 Budget	2017	2016
Operating Surplus/(Deficit) (Statement III)	($446,952)	($916,568)	$594,644
Prior Year Adjustments		0	0
Increase/(Decrease) in Net Financial Resources	**($446,952)**	**($916,568)**	**$594,644**
Opening Net Financial Resouorces	2,824,274	2,824,274	2,229,630
Closing Net Financial Resources	$2,377,322	$1,907,706	$2,824,274

See attached notes and schedules.

Statement III

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	(Note 27) (unaudited) 2017 Budget	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
ECE Regular Contributions	$23,889,000	$24,210,617	$23,975,720
Other ECE Contributions	477,700	790,236	1,022,817
Total ECE Contributions	**$24,366,700**	**$25,000,853**	**$24,998,537**
Other GNWT Contributions	$0	$450,055	$304,653
Total GNWT Contributions	**$24,366,700**	**$25,450,907**	**$25,303,190**
Other Education Bodies	**$0**	**$0**	**$68,361**
Government of Canada Contributions	**$0**	**$0**	**$0**
Generated Funds			
Investment Income	$600	$58,847	$53,443
Non-GNWT Contributions	0	251,883	238,728
Donations	0	152,441	112,608
Other	62,000	221,770	309,256
Total Generated Funds	**$62,600**	**$684,941**	**$714,035**
Total Revenues	**$24,429,300**	**$26,135,848**	**$26,085,586**
EXPENSES (Schedule 1)			
Administration	$1,524,176	$1,603,287	$1,515,303
School Programs	15,641,350	17,959,713	16,723,478
Inclusive Schooling	5,005,852	4,771,459	4,556,887
Distance Learning/Technology	330,900	306,471	326,180
Operations and Maintenance	394,594	232,884	285,636
Aboriginal Language/Cultural Programs	1,979,380	2,178,602	2,083,458
Total Expenses	**$24,876,252**	**$27,052,416**	**$25,490,942**
OPERATING SURPLUS/(DEFICIT)	**($446,952)**	**($916,568)**	**$594,644**
Opening Fund Balance		**2,824,274**	**2,229,630**
Closing Fund Balance		**$1,907,706**	**$2,824,274**

See attached notes and schedules.

Statement IV

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF CASH FLOW
For the Year Ended June 30, 2017

	2017	2016
Cash Provided By (Used In):		
Operating Surplus/(Deficit)	($916,568)	$594,644
Changes in Non-cash Assets and Liabilities		
Decrease (increase) due from Government of Canada	($1,574)	$0
Decrease (increase) in accounts receivable	(75,193)	(30,786)
Increase (decrease) in acc. payroll/emp.deductions	(763,042)	(87,928)
Increase (decrease) in accounts payable	(191,107)	67,955
Increase (decrease) in trust liability	(221)	279
Increase (decrease) in deferred revenue	(120,132)	40,941
Increase (decrease) in post-employment benefits	1,200,435	191,521
Decrease (increase) in prepaid expenses	0	0
Cash Provided by (Used In) Operating Transactions	($867,402)	$776,626
Increase/(Decrease) in Cash and Cash Equivalents	($867,402)	$776,626
Cash and Cash Equivalents at Beginning of Year	$7,729,216	$6,952,590
Cash and Cash Equivalents at End of Year	$6,861,814	$7,729,216

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of the Organization

The Council was formerly known as the South Slave Divisional Board of Education. With the adoption of the new Education Act, its legal name is now the South Slave Divisional Education Council (Council).

The Council was established under the Education Act of the Government of the Northwest Territories by order of the Minister of Education dated July 1, 1991. Its purpose is to administer and maintain standards of educational programs defined under the Act in the member communities of the South Slave region.

Consequently, the Council is economically dependent upon funding from the Department of Education, Culture and Employment of the GNWT. Member communities have formed local District Education Authorities (DEA) which have assumed the responsibility of providing sufficient educational programs within their respective communities.

Note 2. Significant Accounting Policies

a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for all funds. Under this basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash and usually with a maturity date of 90 days or less from the date of acquisition.

c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized costs include cash, accountable funds, due from the GNWT and other accounts receivable.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, accrued salaries, deferred revenue, post-employment benefits and accountable funds.

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication or impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

d) Non-Financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by the Council because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Council.

e) Tangible Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. The Minister grants to the Education Authority the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. Capital assets with a value in excess of $50,000 are recorded at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Capital assets with a value of less than $50,000 are recorded as a current expenditure.

f) Revenue Recognition

Government Transfers

Revenues are recognized in the period in which the transactions or events occur that give 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 in 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, eligibility criteria have been met and reasonable estimates of the amounts can be determined.

GNWT – Regular contributions

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The council retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided for by the formula, must first be approved by the GNWT.

Other contributions

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

Deferred revenue

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenses are incurred.

Investment income

Investment income is recognized when received or receivable, if the amount can be reasonable estimated.

g) Budget Data

The *Education Act* of the NWT requires that the Council prepare an annual budget, as outlined in Sections 128 and 129.

The priorities and funding allocations are determined by the Council and the budget is then legally adopted by a motion of the Council in accordance with Section 135(3) of the *Education Act*.

Council approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by sections 117(2)(k), (l) and (m) of the *Education Act*.

The annual budget includes estimates of revenues, expenditures and the net operating surplus/(deficit). Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Council.

The budget may be amended within a given fiscal year in accordance with Council policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

i) Inventories Including Materials and Supplies

Inventories of books, materials, supplies and other expendables purchased by the Council are treated as expenditures during the year of acquisition and are not being recorded on the statement of financial position.

j) Payroll Liabilities

According to the Northwest Territories Teachers Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th of each year which provides for continued payment during the summer. GNWT payroll for NWTTA staff starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31 (usually 26). The pay periods that fall within the month of July therefore have to be accrued.

The duties and compensation base for UNW school year employees are scheduled to align with the academic year although the actual start dates and durations vary by specific location and job function. Accordingly, the Council determines the start dates of their UNW employees and accrues the related payroll liability as necessary.

All other staff salaries are accrued to include earnings to June 30th.

k) Other employee future benefits and compensated absences

Under the terms and conditions of employment, Council employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave is recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except parental and maternity leave) has been prepared using data provided by the GNWT and assumptions based on management's best estimates.

l) Special Purpose Funds

School activity funds which are fully controlled by the Council with respect to when and how the funds available can be disbursed are included in these financial statements. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising and/or contributions or fees paid related to a specific planned benefit. Examples might include planned student trips or funds specifically designated for the purchase of equipment or materials required to support an activity.

Student activity funds which are controlled by students or parties other than the Council are not included in these financial statements even if custody of the funds is held by the Council. Examples might include student clubs or associations for which the Council has no on-going responsibility or liability for losses.

Note 3. Future Accounting Changes

a) Related Party Transactions: inter-equity transfer valuations (PS3420 April 2018).
b) Restructuring transactions (PS3430 – April 1, 2018)
c) Financial instruments (PS3450 – April 1, 2019)
d) Student Activity/Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

Note 4. Cash and Cash Equivalents

	2017	2016
Cash	$6,781,784	$7,667,063
Trust Assets	80,030	80,251
Bank Indebtedness	0	(18,098)
Total	$6,861,814	$7,729,216

Note 5. Special Purpose Funds

Nothing to report.

Note 6. Restricted Assets

Nothing to report.

Note 7. Portfolio Investments

Nothing to report.

Note 8. Accounts Receivable

	2017 Net	2016 Net
GNWT – Finance	$ 6,570	$ 0
GNWT – HSS	250	0
GNWT – ECE	91,556	7,072
Total due from GNWT	$ 98,376	$ 7,072
Due from Government of Canada	1,574	0
Other	203,066	219,177
Total Receivables	$303,016	$226,249

Note 9. Inventories

Not applicable.

Note 10. Accounts Payable and Accrued Liabilities

	2017	2016
WSCC	$ 0	$ 52,626
GNWT – Dept. of Finance (payroll)	1,139,673	1,902,715
Princess Alexandra	345	0
GNWT – Dept. of Education, Culture & Employment	13,503	0
Total Due to GNWT	$1,153,521	1,955,341
Other	52,642	204,970
Total Accounts Payable	$1,206,163	$2,160,311

Note 11. Deferred Revenue

	2017	2016
Self-Regulation resources (from ECE)	$ 1,615	$ 3,794
Deninu Youth Contribution (MACA)	0	5,000
Regional Youth Sports – DJSS (MACA)	0	9,500
Three Feathers (MACA)	0	5,000
Regional Youth Sports – Deninu (MACA)	5,000	2,500
TLC Funding (ECE)	0	0
Total GNWT	$ 6,615	$ 25,794
Three Feathers donations	0	89,291
My First Hunt Book	0	5,200
Autism Speaks	452	6,914
Total Deferred Revenue	$ 7,067	$ 127,199

Note 12. Contribution Repayable

An accrued liability has been set up for an amount owed to the GNWT of $13,503. See Note 10.

Note 13. Due To/From the Government of Canada

An amount is owed to the SSDEC from the Library of Parliament. See Note 8.

14. Capital Lease Obligations

Nothing to report.

15. Pensions

Nothing to report.

16. Long-term Debt

Nothing to report

17. Other employee future benefits and compensated absences

In addition to pension benefits the Council provides severance (resignation and retirement), removal and compensated absences (sick, special, parental and maternity leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to Council employees based on the type of termination (resignation vs. retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to, employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation result

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results extrapolated the June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and Removal $	Compensated Absences $	2017 $	2016 $
Changes in Obligation				
Accrued benefit obligations at beginning of year	$2,047,736	$328,702	$2,376,438	$4,189,889
Current period benefit cost	$93,407	$19,642	$113,050	$579,248
Interest accrued	$62,381	$10,331	$72,712	$105,980
Benefits payments	($488,885)	($51,005)	($539,890)	($301,657)
Plan amendments	$0	$0	$0	$0
Actuarial (gains)/losses	$214,249	$220,684	$434,932	($2,197,022)

Accrued benefit obligations at end of year	**$1,928,888**	**$528,354**	**$2,457,242**	**$2,376,438**
Surplus/(deficit) at end of year	($1,928,888)	($528,354)	($2,457,242)	($2,376,438)
Unamortized net actuarial (gain)/loss	($1,365,891)	($140,730)	($1,506,621)	($2,197,022)
Net future obligation	**($3,294,779)**	**($669,084)**	**($3,963,864)**	**($4,573,460)**
Other employee future benefits	$0	$0	$0	$0
Other compensated absences	$0	$0	$0	$0
Total employee future benefits and compensated absences	**($3,294,779)**	**($669,084)**	**($3,963,864)**	**($4,573,460)**
Benefits Expense				
Current period benefit cost	$93,407	$19,642	$113,050	$579,248
Interest accrued	$62,381	$10,331	$72,712	$105,980
Plan amendments	$0	$0	$0	$0
Amortization of actuarial gains	($207,913)	($47,555)	($255,468)	$0
Total Expense	**($52,125)**	**($17,582)**	**($69,706)**	**$685,228**

The discount rate used to determine the accrued benefit obligation is an average of 3.30%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance & Removal $	**Compensated Absences $**	**Total $**
2018	$382,417	$86,766	$469,183
2019	$326,440	$83,323	$409,763
2020	$286,782	$78,300	$365,082
2021	$271,431	$71,593	$343,024
2022	$217,017	$59,883	$276,900
	$1,484,087	**$379,865**	**$1,863,952**

18. Trust Assets Under Administration

	2017	2016
Andrew John Piche Scholarship Fund	$80,030	$80,251

19. Tangible Capital Assets

Nothing to report.

20. Prepaid Expenses

Nothing to report.

21. Accumulated Surplus/Deficit

Accumulated surplus/deficit is included in the Statement of Financial Position.

22. Capital Advances

Not applicable.

23. GNWT Assets Provided at no Cost.

	Cost	Acc. Amort.	2017 NBV	2016 NBV
Joseph Burr Tyrrell School	$9,413,957	$4,862,018	$4,551,939	$4,791,777
Paul William Kaeser School	$7,635,685	$4,908,653	$2,727,032	$2,941,484
Deninu School	$4,991,454	$4991,454	$0	$0
Lutsel K'e Dene School	$2,117,192	$1,676,403	$440,789	$497,665
Princess Alexandra School	$7,672,236	$4,955,740	$2,716,496	$2,993,787
Diamond Jenness School	$34,298,324	$10,284,177	$24,014,147	$25,231,064
Harry Camsell School	$6,429,919	$3,961,655	$2,468,264	$2,661,530
Chief Sunrise Education Ctr.	$2,444,710	$1,029,547	$1,415,163	$1,326,120
DJSS Trades Building	$2,423,804	$405,819	$2,017,985	$2,078,524
Hay River Central Seacan	$832,998	$347,083	$485,916	$541,449
PWK High School Seacan	$687,229	$286,346	$400,884	$446,699
PWK Welding Shop	$389,368	$25,958	$363,411	$373,144
	$79,388,523	$37,786,499	$41,602,025	$43,939,460

24. Contractual Obligations

	Expired in 2017	2018	2019 Onward	Total
Commercial/Residential Leases	$158,650	$158,650	$ 52,884	$370,184
Equipment Leases	15,669	9,575	693	25,937
Totals	$174,319	$168,225	$ 53,577	$396,121

25. Contingencies

Nothing to report.

26. Related Parties

The Council is related, in terms of common ownership, to all GNWT created departments, agencies and corporations. The Council enters into transactions with these entities in the normal course of business. The Council is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage, payroll services and internal audit services by the Department of Finance and utilities and maintenance by Public Works and Services. Transactions with related parties and balances at year-end not disclosed elsewhere in the financial statements are disclosed in this note.

Accounts Payable	2017	2016
Dept. of Finance	$1,139,673	$1,902,803
Dept. of Education, Culture and Employment	13,503	0
Princess Alexandra School	345	0

Accounts Receivable		
Lutsel K'e DEA	$ 2,034	0
Diamond Jenness School	260	0
Paul William Kaeser School	1,643	0
Joseph Burr Tyrrell School	1,544	0
Dept. of Finance	6,570	
Dept. of Health and Social Services	250	0
Dept. of Education, Culture and Employment	91,556	7,072

27. Budget Data

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget as outlined in Section 117, Duties of Education Body. The budget is legally adopted by a motion of the Council which may or may not include the establishment of 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 Council.

The budget figures presented are those approved by the Minister of Education, Culture and Employment on August 8, 2016 and have not been audited.

28. Economic Dependence

The South Slave Divisional Education Council receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the South Slave Divisional Education Council's operations would be significantly affected.

29. Financial Instruments

The Council's carrying value of cash, accounts receivable, due from the GNWT, accounts payable and accrued liabilities, due to the GNWT, accrued salaries and the trust liability approximate fair value due to the immediate and short-term maturity of these instruments.

The Council's carrying value of the accrued leave and termination benefits approximates fair value due to the information readily available in the NWTTA, UNW and Senior Manager's Handbook.

It is management's opinion that the Council is not exposed to significant interest rate, currency, market, credit, liquidity or cash flow risks arising from these financial instruments and that there are no significant concentrations of such risks.

30. Expenses by Object

	2017 Budget	2017 Actual	2016 Actual
Compensation	$21,723,033	$23,744,651	$22,035,910
Other	3,153,219	3,307,765	3,455,032
Total	$24,876,252	$27,052,416	$25,490,942

31. Subsequent Events

Nothing to report.

32. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior surplus.

33. Commitments Against Surplus

The Council currently has approved commitments against its surplus of $1,240,776 consisting mainly of school staffing surpluses as detailed in Schedule 26 to the financial statements.

Schedule 1

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Distance Learning/Tech	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	$13,153,222	$1,900,390	$0	$0	$0	$950,737	$0	$16,004,349
Instruction Assistants	$137,731	$1,695,288	$0	$0	$0	$435,238	$0	$2,268,257
Non-Instructional Staff	$1,805,778	$375,959	$242,569	$0	$1,217,923	$14,788	$0	$3,657,017
Board/Trustee Honoraria	$3,650	$0	$0	$0	$39,429	$7,475	$0	$50,554
Employee Benefits								
Employee Benefits/Allowances	$228,799	$78,127	$3,720	$0	$11,161	$27,902	$0	$349,709
Leave & Termination Benefits	$925,618	$316,065	$15,051	$0	$45,152	$112,880	$0	$1,414,766
Services Purchased/Contracted								
Professional/Technical Services	$174,950	$43,008	$0	$1,475	$36,246	$16,695	$0	$272,374
Postage/Communication	$74,513	$0	$0	$0	$22,675	$201	$0	$97,389
Utilities	$948	$0	$0	$0	$0	$0	$0	$948
Travel	$146,416	$192,564	$12,284	$0	$85,247	$75,926	$0	$512,438
Student Travel	$111,380	$1,865	$0	$0	$0	$2,512	$0	$115,757
Advertising/Printing/Publishing	$2,106	$3,250	$0	$1,995	$15,628	$61,210	$0	$84,188
Maintenance/Repair	$5,898	$0	$0	$0	$12,564	$769	$0	$19,231
Rentals/Leases	$65,308	$6,026	$0	$159,250	$28,403	$15,706	$0	$274,694
Contracted Services	$350,341	$22,203	$800	$7,758	$14,205	$244,562	$0	$639,869
Materials/Supplies/Freight								
Materials	$749,102	$134,931	$32,047	$47,925	$73,073	$209,407	$0	$1,246,486
Freight	$23,952	$1,782	$0	$14,481	$1,580	$2,595	$0	$44,391
Total	$17,959,713	$4,771,459	$306,471	$232,884	$1,603,286	$2,178,602	$0	$27,052,416

Schedule 2

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$166,020	$175,230
Cash Held in Trust	80,030	80,251
Other Accounts Receivable (net)	1,033	1,033
Total Financial Assets	**$247,083**	**$256,514**
Liabilities		
Accounts Payable & Accrued Liabilities	($3)	($3)
Trust Liability	80,030	80,251
Total Liabilities	**$80,027**	**$80,248**
Net Financial Resources	**$167,057**	**$176,266**
Fund Balance	**$167,057**	**$176,266**

Schedule 3

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017	2016
REVENUES			
ECE Contributions			
ECE Regular Contributions	$495,506	$456,529	$505,991
Other ECE Contributions	0	15,602	93,601
Total ECE Contributions	**$495,506**	**$472,131**	**$599,592**
Other GNWT Contributions	$0	$22,400	$0
Total GNWT Contributions	**$495,506**	**$494,531**	**$599,592**
Generated Funds			
Investment Income	$600	$547	$648
Other	42,500	67,515	69,849
Total Generated Funds	**$43,100**	**$68,062**	**$70,497**
Total Revenues	**$538,606**	**$562,593**	**$670,089**
EXPENSES (Schedule 4)			
Administration	$65,550	$71,529	$71,912
School Programs	383,133	380,912	398,358
Inclusive Schooling	50,435	13,210	14,007
Student Accommodations	0	0	0
Operations and Maintenance	0	20,506	27,034
Aboriginal Language/Cultural Programs	99,444	85,646	103,627
Total Expenses	**$598,562**	**$571,803**	**$614,938**
Operating Surplsu/(Deficit)	**($59,956)**	**($9,209)**	**$55,151**
Fund Balance at beginning of year		**176,266**	**121,115**
Prior Period Adjustment		**$0**	**0**
Fund Balance at end of year		**$167,057**	**$176,266**

Schedule 4

FORT SMITH DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	$3,392							$3,392
Instruction Assistants								$0
Non-Instructional Staff					$64,314			$64,314
Board/Trustee Honoraria								$0
Employee Benefits								
Employee Benefits/Allowances								$0
Leave & Termination Benefits								$0
Services Purchased/Contracted								
Professional/Technical Services								$0
Postage/Communication	$27,231				$3,026			$30,256
Utilities								$0
Travel								$0
Student Travel								$0
Advertising/Printing/Publishing	$150							$150
Maintenance/Repair	$1,868							$1,868
Rentals/Leases	$15,497				$1,722			$17,219
Contracted Services	$73,569							$73,569
Materials/Supplies/Freight								
Materials	$259,206	$13,210		$20,506	$2,467	$85,646		$381,034
Freight								$0
Total	**$380,912**	**$13,210**	**$0**	**$20,506**	**$71,529**	**$85,646**	**$0**	**$571,803**

Schedule 5

HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$176,910	$259,471
Due from the GNWT	0	0
Other Accounts Receivable (net)	23,481	19,899
Total Financial Assets	**$200,391**	**$279,370**
Liabilities		
Accounts Payable & Accrued Liabilities	$1,019	$115,379
Total Liabilities	**$1,019**	**$115,379**
Net Financial Resources	**$199,372**	**$163,991**
Fund Balance	**$199,372**	**$163,991**

Schedule 6

HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
ECE Regular Contributions	$552,864	$552,864	$557,141
Other ECE Contributions	0	140,341	80,506
Total ECE Contributions	**$552,864**	**$693,205**	**$637,647**
Other GNWT Contributions	$0	$31,200	$23,265
Total GNWT Contributions	**$552,864**	**$724,405**	**$23,265**
Generated Funds			
Investment Income	$0	$599	$792
Other	19,500	97,262	108,491
Total Generated Funds	**$19,500**	**$97,861**	**$109,283**
Total Revenues	**$572,364**	**$822,266**	**$770,195**
EXPENSES (Schedule 7)			
Administration	$120,476	$117,843	$120,057
School Programs	451,888	583,468	776,444
Inclusive Schooling	0	0	0
Student Accommodations	0	0	0
Operations and Maintenance	0	33,006	37,023
Aboriginal Language/Cultural Programs	0	52,568	43,578
Total Expenses	**$572,364**	**$786,885**	**$977,102**
Operating Surplus/(Deficit)	**$0**	**$35,381**	**($206,907)**
Fund Balance at beginning of year		**163,991**	**370,898**
Fund Balance at end of year		**$199,372**	**$163,991**

Schedule 7

HAY RIVER DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								$0
Instruction Assistants	$137,731					$19,527		$157,258
Non-Instructional Staff					$105,852			$105,852
Board/Trustee Honoraria					$8,278			$8,278
Employee Benefits								
Employee Benefits/Allowances								$0
Leave & Termination Benefits								$0
Services Purchased/Contracted								
Professional/Technical Services	$104,000							$104,000
Postage/Communication	$24,125				$2,901			$27,026
Utilities								$0
Travel								$0
Student Travel	$600							$600
Advertising/Printing/Publishing								$0
Maintenance/Repair								$0
Rentals/Leases	$32,768							$32,768
Contracted Services	$147,077							$147,077
Materials/Supplies/Freight								
Materials	$137,167			$19,306	$812	$33,041		$190,326
Freight				$13,700				$13,700
Total	**$583,468**	**$0**	**$0**	**$33,006**	**$117,843**	**$52,568**	**$0**	**$786,885**

Schedule 8

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$14,661	$6,879
Other Accounts Receivable (net)	3,274	1,710
Total Financial Assets	**$17,935**	**$8,589**
Liabilities		
Accounts Payable & Accrued Liabilities	$3,262	$14,665
Total Liabilities	**$3,262**	**$14,665**
Net Financial Resources	**$14,673**	**($6,076)**
Fund Balance	**$14,673**	**($6,076)**

Schedule 9

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$56,091	$56,091	$44,204
Other ECE Contributions	0	52,498	43,665
Total ECE Contributions	**$56,091**	**$108,589**	**$87,869**
Other GNWT Contributions	$0	$9,000	$45,950
Total GNWT Contributions	**$56,091**	**$117,589**	**$133,819**
Generated Funds			
Investment Income	$0	$3	$3
Other	0	10,737	26,395
Total Generated Funds	**$0**	**$10,740**	**$26,398**
Total Revenues	**$56,091**	**$128,329**	**$160,217**
EXPENSES (Schedule 7)			
Administration	$27,250	$30,962	$21,000
School Programs	18,841	44,976	85,733
Inclusive Schooling	0	17,000	43,327
Student Accommodations	0	0	0
Operations and Maintenance	4,000	2,858	5,492
Aboriginal Language/Cultural Programs	6,000	11,783	18,100
Total Expenses	**$56,091**	**$107,580**	**$173,651**
Operating Surplus/(Deficit)	**$0**	**$20,749**	**($13,434)**
Fund Balance at beginning of year		**($6,076)**	**7,358**
Fund Balance at end of year		**$14,673**	**($6,076)**

Schedule 10

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								$0
Instruction Assistants								$0
Non-Instructional Staff	$532	$8,807			$2,023			$11,362
Board/Trustee Honoraria	$2,650				$9,460	$7,475		$19,585
Employee Benefits								
Employee Benefits/Allowances								$0
Leave & Termination Benefits								$0
Services Purchased/Contracted								
Professional/Technical Services					$3,283			$3,283
Postage/Communication					$2,755			$2,755
Utilities								$0
Travel	$163	$3,901			$5,833	$72		$9,970
Student Travel								$0
Advertising/Printing/Publishing								$0
Maintenance/Repair	$2,020				$1,264			$3,284
Rentals/Leases					$3,036			$3,036
Contracted Services		$1,753		$2,858	$2,247	$3,126		$9,984
Materials/Supplies/Freight								
Materials	$39,612	$2,538			$1,061	$1,110		$44,321
Freight								$0
Total	**$44,976**	**$17,000**	**$0**	**$2,858**	**$30,962**	**$11,783**	**$0**	**$107,580**

Schedule 11

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$92,608	$181,906
Due from GNWT	0	0
Other Accounts Receivable (net)	0	0
Total Financial Assets	$92,608	$181,906
Liabilities		
Payroll Liabilities	$552	($333)
Total Liabilities	$552	($333)
Net Financial Resources	$92,056	$182,239
Fund Balance	$92,056	$182,239

Schedule 12

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$82,286	$82,286	$83,724
Other ECE Contributions	0	85,534	104,355
Total ECE Contributions	$82,286	$167,820	$188,079
Other GNWT Contributions	$0	$88,016	$63,611
Total GNWT Contributions	$82,286	$255,836	$251,690
Generated Funds			
Investment Income	$0	$34	$196
Other	0	25,000	47,016
Total Generated Funds	$0	$25,034	$47,212
Total Revenues	$82,286	$280,869	$298,902
EXPENSES (Schedule 7)			
Administration	$29,000	$29,815	$44,370
School Programs	23,786	260,373	178,347
Inclusive Schooling	0	38,342	36,380
Student Accommodations	0	0	0
Operations and Maintenance	4,500	7,312	11,817
Aboriginal Language/Cultural Programs	25,000	35,210	32,745
Total Expenses	$82,286	$371,053	$303,659
Operating Surplus/(Deficit)	$0	($90,183)	($4,757)
Fund Balance at beginning of year		182,238	186,996
Fund Balance at end of year		$92,056	$182,239

Schedule 13

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								$0
Instruction Assistants								$0
Non-Instructional Staff		$30,801			$1,819			$32,621
Board/Trustee Honoraria					$10,325			$10,325
Employee Benefits								
Employee Benefits/Allowances								$0
Leave & Termination Benefits								$0
Services Purchased/Contracted								
Professional/Technical Services								$0
Postage/Communication					$5,202	$21		$5,223
Utilities	$948							$948
Travel	$8,899				$2,291	$750		$11,940
Student Travel	$15,939					$2,250		$18,189
Advertising/Printing/Publishing	$1,542				$6,034	$721		$8,296
Maintenance/Repair					$88			$88
Rentals/Leases	$14,451				$3,257			$17,708
Contracted Services	$43,240	$450		$1,400		$11,140		$56,230
Materials/Supplies/Freight								
Materials	$166,871	$7,091		$5,912	$800	$20,225		$200,898
Freight	$8,484					$103		$8,588
Total	**$260,373**	**$38,342**	**$0**	**$7,312**	**$29,815**	**$35,210**	**$0**	**$371,053**

Schedule 14

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$7,952	$0
Other Accounts Receivable (net)	0	0
Total Financial Assets	**$7,952**	**$0**
Liabilities		
Bank Indebtedness	$0	$18,098
Accounts Payable & Accrued Liabilities	95	88
Total Liabilities	**$95**	**$18,186**
Net Financial Resources	**$7,857**	**($18,186)**
Fund Balance	**$7,857**	**($18,186)**

Schedule 15

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$74,830	$74,829	$60,102
Other ECE Contributions	0	36,863	19,914
Total ECE Contributions	**$74,830**	**$111,692**	**$80,016**
Other GNWT Contributions	$0	$33,936	$25,300
Total GNWT Contributions	**$74,830**	**$145,628**	**$105,316**
Generated Funds			
Investment Income	$0	$0	$0
Donations	0	61,849	106,400
Other	0	10,399	11,615
Total Generated Funds	**$0**	**$72,248**	**$118,015**
Total Revenues	**$74,830**	**$217,876**	**$223,331**
EXPENSES (Schedule 7)			
Administration	$34,700	$25,609	$16,241
School Programs	12,635	124,955	165,123
Inclusive Schooling	0	2,105	2,020
Student Accommodations	0	0	0
Operations and Maintenance	6,500	7,082	7,588
Aboriginal Language/Cultural Programs	20,995	32,081	44,134
Total Expenses	**$74,830**	**$191,833**	**$235,107**
Operating Surplus/(Deficit)	**$0**	**$26,043**	**($11,776)**
Fund Balance at beginning of year		**(18,186)**	**(6,410)**
Fund Balance at end of year		**$7,857**	**($18,186)**

Schedule 16

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	$845					$2,881		$3,726
Instruction Assistants								$0
Non-Instructional Staff					($14)			-$14
Board/Trustee Honoraria					$7,416			$7,416
Employee Benefits								
Employee Benefits/Allowances								$0
Leave & Termination Benefits								$0
Services Purchased/Contracted								
Professional/Technical Services								$0
Postage/Communication	$1,282				$2,165	$180		$3,628
Utilities								$0
Travel								$0
Student Travel	$15,842					$262		$16,104
Advertising/Printing/Publishing					$2,400			$2,400
Maintenance/Repair	$2,010					$769		$2,779
Rentals/Leases	$2,517	$1,972		$600	$3,672	$3,722		$12,485
Contracted Services	$14,938			$3,500	$5,800	$9,173		$33,410
Materials/Supplies/Freight								
Materials	$72,309	$133		$2,201	$3,277	$13,374		$91,293
Freight	$15,211			$781	$893	$1,722		$18,608
Total	**$124,955**	**$2,105**	**$0**	**$7,082**	**$25,609**	**$32,081**	**$0**	**$191,833**

Schedule 17

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2017

	2017	2016
Financial Assets		
Cash and Cash Equivalents	$6,323,632	$7,042,256
Due from the GNWT	98,376	7,072
Other Accounts Receivable	182,335	200,296
Total Financial Assets	**$6,604,343**	**$7,249,624**
Liabilities		
Current		
Accounts Payable and Accrued Liabilities	$53,846	$83,204
Due to the GNWT	13,848	52,538
Payroll Liabilities	1,139,026	1,897,213
Deferred Revenue	7,067	127,199
Post-Employment Benefits	3,963,864	2,763,430
Total Liabilities	**$5,177,651**	**$4,923,584**
Net Financial Resources	**$1,426,692**	**$2,326,040**
Non-Financial Assets		
Prepaid Expenses (Note 20)	$0	$0
Accumulated Fund Balance	**$1,426,692**	**$2,326,040**

Schedule 18

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL RESOURCES
For the Year Ended June 30, 2017

	2017	2016
Annual Surplus/(Deficit) (Schedule 19)	($899,348)	$776,367
Prior Year Adjustments	0	0
Increase/(Decrease) in Net Financial Resources	**($899,348)**	**$776,367**
Opening net Financial Resources	2,326,040	1,549,673
Closing Net Financial Resources	$1,426,692	$2,326,040

Schedule 19

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$23,889,000	$24,210,619	$23,975,720
Other ECE Contributions	477,700	822,968	1,007,497
Total ECE Contributions	**$24,366,700**	**$25,033,587**	**$24,983,217**
Other GNWT Contributions	$0	$326,000	$233,588
Total GNWT Contributions	**$24,366,700**	**$25,359,587**	**$25,216,805**
Federal Government	**$0**	**$0**	**$0**
Other Education Bodies	**$0**	**$0**	**$63,361**
Generated Funds			
Investment Income	$0	$57,664	$51,804
Non-GNWT Contributions	0	251,883	238,728
Donations	0	90,592	6,208
Other	0	31,857	45,890
Total Generated Funds	**$0**	**$431,995**	**$342,630**
Total Revenues	**$24,366,700**	**$25,791,582**	**$25,622,796**
EXPENSES			
Administration	$1,247,200	$1,327,528	$1,241,724
School Programs	14,751,067	16,904,483	15,400,492
Inclusive Schooling	4,955,417	4,700,802	4,461,152
Distance Learning/Technology	330,900	306,471	326,180
Operations and Maintenance	379,594	162,120	196,682
Aboriginal Language/Cultural Programs	1,827,941	2,001,924	1,884,048
Transfers to DEAs	1,261,577	1,287,602	1,336,151
Total Expenses	**$24,753,696**	**$26,690,930**	**$24,846,429**
Operating Surplus/(Deficit)	**($386,996)**	**($899,348)**	**$776,367**
Fund Balance at beginning of year		**2,326,040**	**1,549,673**
Fund Balance at end of year		**$1,426,692**	**$2,326,040**

Schedule 20

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF EXPENDITURES
(Non-Consolidated)
For the Year Ended June 30, 2017

	School Programs	Inclusive Schooling	Distance Learning/Tech	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	$13,148,985	$1,900,390				$947,856		$15,997,231
Instruction Assistants		$1,695,288				$415,711		$2,111,000
Non-Instructional Staff	$1,805,246	$336,350	$242,569		$1,043,929	$14,788		$3,442,881
Board/Trustee Honoraria	$1,000				$3,950			$4,950
Employee Benefits								
Employee Benefits/Allowances	$228,799	$78,127	$3,720		$11,161	$27,902		$349,710
Leave & Termination Benefits	$925,618	$316,065	$15,051		$45,152	$112,880		$1,414,765
Services Purchased/Contracted								
Professional/Technical Services	$70,950	$43,008		$1,475	$32,963	$16,695		$165,091
Postage/Communication	$21,875				$6,626			$28,501
Utilities								$0
Travel	$137,354	$188,663	$12,284		$77,123	$75,104		$490,527
Student Travel	$79,000	$1,865						$80,865
Advertising/Printing/Publishing	$414	$3,250		$1,995	$7,194	$60,489		$73,341
Maintenance/Repair					$11,212			$11,212
Rentals/Leases	$75	$4,054		$158,650	$16,716	$11,984		$191,480
Contracted Services	$71,517	$20,000	$800		$6,158	$221,123		$319,598
Materials/Supplies/Freight								
Materials	$180,266	$111,960	$32,047		$64,657	$39,621		$428,552
Freight	$257	$1,782			$687	$770		$3,496
Transfers to DEA's	$233,128					$57,000	$1,287,602	$1,577,730
Total	$16,904,483	$4,700,802	$306,471	$162,120	$1,327,528	$2,001,924	$1,287,602	$26,690,930

Schedule 21

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
ABORIGINAL LANGUAGES

For the Year Ended June 30, 2017

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total 2016/17
Revenues			
Funding Received	$62,000		$62,000
Total Funding	$62,000	$0	$62,000
Expenditures			
Materials & Supplies	$48,037	$0	$48,037
Wages & Benefit	$14,788	$0	$14,788
Total Expenditures	$62,825	$0	$62,825
Surplus/(Deficit)	**($825)**	**$0**	**($825)**

Schedule 22

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
FRENCH LANGUAGE

For the Year Ended June 30, 2017

	Contributions July 1, 2016 to June 30, 2017	SSDEC Commitment July 1, 2016 to June 30, 2017	Total Expenses July 1, 2016 to June 30, 2017	Under/(Over) Funding
Bilateral Agreement Funding				
Core French 1-12 (salary)	$193,000	$234,000	$491,283	($64,283)
Immersion Pioneer Class (salary)	70,000	$50,000	$513,231	($393,231)
Resources	10,000	$5,000	$22,901	($7,901)
Partnership with YK1	15,000		$15,000	$0
French Monitor		$6,000	$64,533	($58,533)
Professional Development		$5,000	$21,187	($16,187)
Intensive French: Salary	45,000	$30,000	$360,041	($285,041)
Intensive French: Camp				$0
Intensive French: Resources	6,000	$4,000	$22,749	($12,749)
Intensive French: Training/Visits	7,800	$5,200	$21,628	($8,628)
Totals	$346,800	$339,200	$1,532,552	($846,552)

Schedule 23

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
JWT STUDENT SUCCESS INITIATIVE - PROFESSIONAL DEVELOPMENT

For the Period July 1, 2016 to June 30, 2017

Funding Received	
Expenditures	
Salaries/Wages	
Facilitator's Fees	$327,112
Substitute Teachers Wages	$15,383
Travel	
Facilitator Travel	$32,380
Staff Travel	$25,111
Accommodation	$18,688
Per Diems	$13,342
Workshop Expenses	
Room Rental	
Tuition	
Refreshments	$1,378
Resources	$18,356
Miscellaneous	$5,630
Total Expenses	$457,380
Net Surplus/(Deficit)	**-$457,380**

Schedule 24

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
NWT STUDENT SUCCESS INITIATIVE

For the Period July 1, 2016 to June 30, 2017

Funding Received	$55,000
Expenditures	
Salaries/Wages	
Salaries	$1,350,713
Facilitator's Fees	
Substitute Teachers Wages	
Travel	
Facilitator Travel	
Staff Travel	
Accommodation	
Per Diems	
Workshop Expenses	
Room Rental	
Tuition	
Refreshments	
Resources	$21,842
Miscellaneous	
Total Expenses	$1,372,555
Net Surplus/(Deficit)	**-$1,317,555**

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDSES
ABORIGINAL LANGUAGE AND CULTURE-BASED EDUCATION

For the Year Ended June 30, 2017

	Student Instruction	Teaching Resources	Professional Development	School ** Activities	Total
Salaries					
ALCBE Teachers	$962,583			$2,881	$965,464
Language Consultants					$0
Instruction Assistants	$415,771			$19,527	$435,298
Non-Instructional Staff					$0
Honoraria				$7,475	$7,475
Employee Benefits					
Employee Benefits/Allowances *	$140,782				$140,782
Services Purchased/Contracted					
Professional/Technical Services		$16,695			$16,695
Travel		$74,248		$1,002	$75,250
Student Transportation (Bussing)				$2,512	$2,512
Advertising/Printing/Publishing		$60,489		$721	$61,210
Maintenance/Repair				$769	$769
Rentals/Leases		$525	$11,459	$3,722	$15,706
Contracted Services		$221,124		$23,439	$244,563
Materials/Supplies/Freight					
Materials		$55,449	$1,418	$153,415	$210,282
Freight		$770		$1,825	$2,595
Total	$1,519,136	$429,301	$12,877	$217,288	$2,178,602

Schedule 26

South Slave Divisional Education Council
2016/17 Fund Balances
(Unaudited)

		SSDEC	Fort Smith	Hay River	K'atlodeeche	Fort Resolution	Lutsel K'e
Fund Balances as per audited Financial Statements		$1,426,692	$167,057	$199,372	$14,673	$92,056	$7,857
less: Staffing Surpluses							
- Lutsel K'e Dene School	$46,113						
- Paul William Kaeser	$270,328						
- Harry Camsell	$39,262						
- Joseph Burr Tyrrell	$60,958						
- Chief Sunrise	$80,126						
- Princess Alexandra	$37,238						
- Diamond Jenness Secondary School	$199,290						
- Deninu School	$152,978	($886,293)					
Commitments against surpluses							
- Council Office							
- Fort Resolution DEA plan					($9,064)	($83,827)	
- Hay River DEA plan				($144,086)			
- Fort Smith plan			($117,506)				
Uncommitted Fund Balance		**$540,399**	$49,551	$55,286	$5,609	$8,229	$7,857
2016/17 contributions from SSDEC			$495,506	$552,864	$56,091	$82,286	$74,830
Fund Balance percentage *			10.00%	10.00%	10.00%	10.00%	10.50%

* Calculated as per SSDEC policy DFAA - Financial Surplus

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Annual Financial Report

June 30, 2017

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Annual Financial Report

June 30, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis (MD&A) of the consolidated financial position and results of operations of Yellowknife Public Denominational District Education Authority (Yellowknife Catholic Schools) for the year ended June 30, 2017 should be read in conjunction with Yellowknife Catholic Schools' audited consolidated financial statements and related notes. The preparation of this report is the responsibility of management. It is the responsibility of the Board of Trustees to promote transparency and accountability.

The 2017-2018 school year will be an exciting year at Yellowknife Catholic Schools. We will continue to strive to provide faith-based, engaging, collaborate, innovative, learning environments that promote inquiry as a means to develop versatile and involved learners that are advocates of their personal learning journey.

We will provide all students with the opportunities to achieve their full potential with limited resources. The guiding principle of the 2017/2018 budget is to allocate our financial resources to allow our students to succeed. The budget will be balanced ensuring that today's dollars are spent to educate today's students with a focus on 21st century learning initiatives and student learning. Appropriate resources have been allocated so that students will have a full range of learning opportunities.

As our educational landscape moves us towards ensuring our students have the skills needed to be successful in the workplace, we will focus on developing the 21st-century skills of collaboration, communication, critical thinking and creativity using innovative teaching models that include inquiry, technology, and interest-based learning in personalized, student-centered environments.

Mission, Values and Beliefs

Yellowknife Catholic Schools is a family of learners: developing faith, celebrating culture, supporting diversity, teaching critical thinking and inspiring service to others.

Through Christ we value: truth, honesty, compassion, respect, forgiveness, service, love and living the faith.

We believe that we are a Catholic, Christ-centered community that strives to nurture the spiritual, intellectual, emotional, social and physical development of all learners.

Board of Trustees

There are seven trustees at Yellowknife Catholic Schools. Mr. Miles Welsh is the Chair and Ms. Erin Currie is the Vice Chair. Other trustees are John Dalton, Revi Lau-a, Tina Schauerte, Amy Kennedy and Steven Voytilla. There are two committees in place – Finance and Facilities. Trustee meetings are held each month and are open to the public.

Yellowknife Catholic Schools

Yellowknife Catholic Schools

Yellowknife Catholic Schools (YCS) is the only Catholic school board in the Northwest Territories. YCS was established in July 1951 and provides education of students from junior kindergarten to Grade 12.

YCS programs operate out of: École St. Patrick High School (ESPHS), Weledeh Catholic School (WCS), École St. Joseph School (ESJS), the Kimberlite Career and Technical Centre (KCTC), the Tallah Building, the Yellowknife Family Centre, Jim Murphy Maintenance Building and the Central Services Building. All of our facilities are in excellent condition.

The senior administration team consists of Claudia Parker – Superintendent; Simone Gessler – Assistant Superintendent – Learning and Janet Toner – Assistant Superintendent – Business.

The principal at École St. Patrick High School is Gillian Dawe-Taylor. The principal at Weledeh Catholic School is Todd Stewart and the principal at École St. Joseph School is Pat Sullivan.

Student and Teacher Population

The following is the student enrolment as of September 30th and the teachers that were employed as of September 30, 2016.

	Enrolment	Teachers	Pupil/Teacher Ratio
École St Patrick High School	493	31	16
Weledeh Catholic School	351	24	15
École St Joseph School	486	30	16
KCTC	0	4	0
TTC	0	1	0
	1,330	90	15

There was a total of 164 staff at YCS as of June 2017.

Yellowknife Catholic Schools

Strategic Plan

Vision Statement for 2016-2019

YCS will strive to provide engaging, collaborative, innovative, inquiry and faith-based learning environments as a means to develop versatile and involved learners that are advocates of their personal learning journey.

Goals

The goals of YCS are to:

- Foster inquiry and collaboration throughout the integration of technology and the development of 21st century classrooms.
- Provide rich literacy and numeracy instruction through collaborative and supporting programming
- Develop spiritually and culturally-rich global citizens with a sense of social justice and community awareness

Commitments

YCS is committed to the following:

- Engage in continuous growth and improvement, make decisions to enhance student learning and provide opportunities for the community to learn together.
- Provide all learners with a safe environment that promotes spiritual, academic, physical, emotional, and social growth, encouraging inquiry, innovation and self-reflection.
- Allocate resources based on our vision and commitment to our learners.

YCS realizes its responsibility to provide an excellent education for our students. Our district is proud of its reputation for providing high-quality education to the students of our community through continuous improvement and the cooperative efforts of the Northwest Territories (GNWT) Minister of Education, Culture and Employment (ECE), administration, teachers, staff, students, families and a supportive community.

Financial Condition

The audited consolidated financial statements were prepared for the Government of the Northwest Territories (GNWT) Minister of Education, Culture and Employment (ECE), in accordance with Canadian public sector accounting standards.

Highlights of YCS Financial Position

Financial Assets
The financial and non-financial assets of YCS consist of cash and accounts receivable. The cash balance was $4,215,783 on June 30, 2017 (prior year - $4,521,653) and indicates a good cash flow. The financial position at June 30, 2017 was $4,666,773 (prior year $4,916,456).

Liabilities
Liabilities consist of payroll liabilities, accounts payable and long term debt. The payroll liabilities consist of payroll liabilities to staff for July and August. The long term debt was reduced by $863,764 during the year. YCS issued debentures for the construction of Weledeh Catholic School and for the purchase of the Tallah Building. Future streams of revenue (rental revenue for the Tallah building and GNWT Core funding for the Weledeh debenture) will more than cover the net financial debt.

The Consolidated Statement of Financial Position has a subtotal called "Net debt". This line is an indicator of the ability to discharge all of the entity's debt with financial assets. This year the net debt is $1,212,218 compared to $1,813,687 which indicates a slightly better financial position.

Yellowknife Catholic Schools

Non-financial Assets

Non-financial assets include land and buildings that YCS has no intention of selling and that would not be able to be quickly converted to cash. The non-financial assets decreased from $44,277,814 to $42,988,243 which mainly reflects the change in the value of the tangible capital assets owned by Yellowknife Catholic Schools.

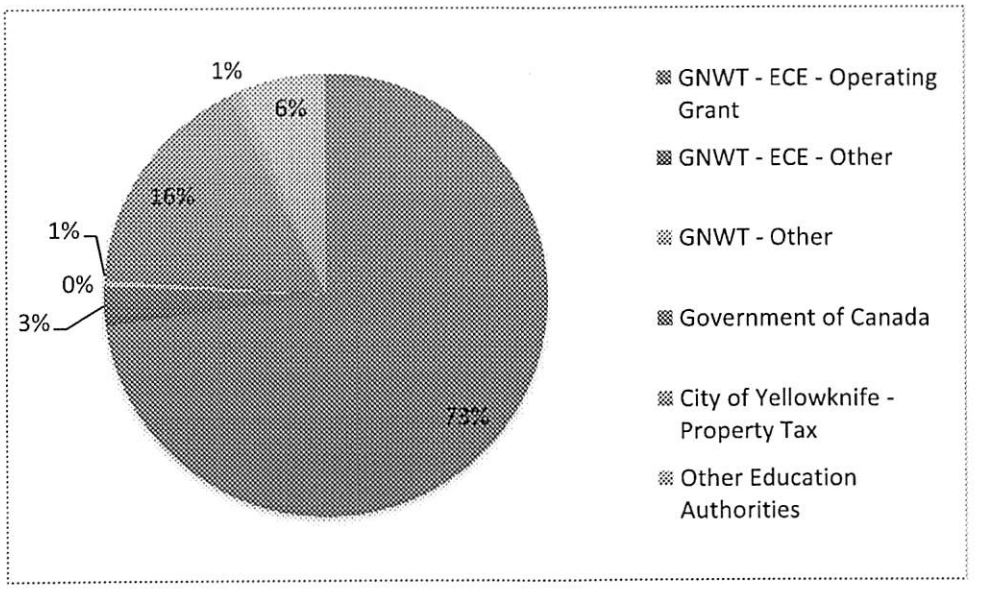
The $1,274,816 decrease in tangible capital assets relates to depreciation of tangible capital assets for this fiscal year partially offset by capital improvements at École St Patrick High School.

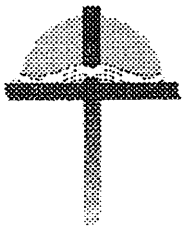
Accumulated Surplus

Accumulated surplus is equal to the difference between non-financial assets and net debt. Accumulated surplus represents the equity that YCS has generated in the last 66 years. The largest component of accumulated surplus is the Investment in Tangible Capital Assets. A further breakdown of accumulated surplus can be found on the Consolidated Statement of Accumulated Surplus.

Highlights of YCS Operations

Operating Revenue





Yellowknife Catholic Schools

Operating Revenue

The majority of the funding (73%) for YCS comes from the Government of the Northwest Territories (GNWT) Department of Education, Culture and Employment (ECE) as core funding. The core funding is derived from a funding formula developed by ECE. The most important factor in the funding formula is student enrollment. GNWT core funding also includes $860,000 paid to YCS each year to cover principal and interest payments on a debenture issued by YCS to fund the construction of Weledeh Catholic School.

YCS also generates revenue from property taxes – 16% of revenue. The City of Yellowknife collects property tax revenue on our behalf.

Yellowknife Catholic Schools has a contract with the Government of Canada for the Yellowknife Family Centre. On March 31st there was a successful transition of the Yellowknife Family Centre to the YWCA NWT.

Other GNWT funding includes contribution agreement funding for: French language programs, the Four Plus program, Yellowknife Family Centre, preschool programs, active after-school programs and for the development of materials for aboriginal languages. In the upcoming year, there will be no more funding for the Four Plus and preschool programs since junior kindergarten will now be offered at Yellowknife Catholic Schools.

Board generated funds include donations, bus pass sales, day care fees, investment revenue, and rental revenue.

YCS generates revenue from other school districts when a student from that district attends an YCS school and the other district receives GNWT core funding for that student.

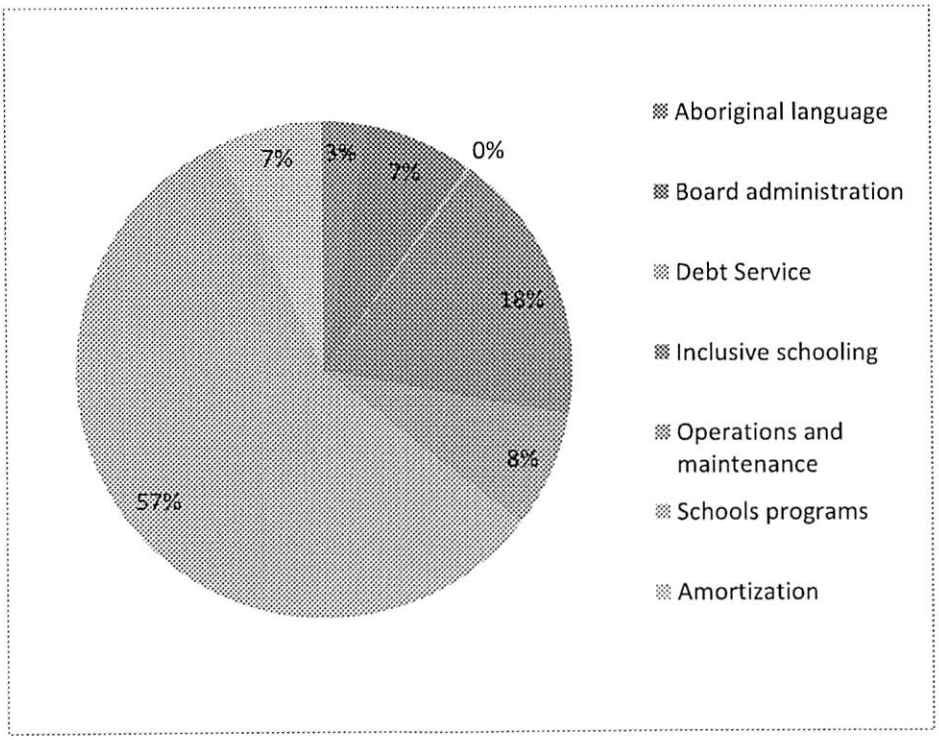
YCS is economically dependent upon the GNWT for the majority of its operating revenue. Significant changes to enrollment in Yellowknife or to the GNWT funding formula would have dramatic effects on the future operations of YCS.

Yellowknife Catholic Schools

Operating Expenditures

The Consolidated Statement of Operations and Schedule 1 provide two different ways to classify expenditures. In the Consolidated Statement of Operations, expenditures are classified by program. Schedule 1 of the consolidated financial statements provides an additional breakdown by object.

Expenditures – By Program



Expenditures – By Program

Program categories for YCS are:

- Aboriginal Language and Culture (3%): Includes salary and benefits of Dogrib Language instructors, salary and benefits of the literacy coach, costs related to the creation of learning materials in the Dogrib language and the cost of running our aboriginal language and culture camps.

- Board Administration (7%): Includes salary and benefits for central services administrative and technology staff, honoraria for trustees, audit and legal fees, travel costs, advertising and publishing costs.

- Debt service: Relates to interest on long-term debt for the repayment of debentures for Weledeh Catholic School (WCS) and the Tallah Building. The WCS debenture repayments are fully funded through an agreement with the GNWT. Debenture repayments for the Tallah building are mostly funded through lease payments from Aurora College.

- Inclusive schooling (18%): Expenditures in this program relate to supporting students with diverse needs. This support can include enrichment opportunities as well as supporting students with learning challenges. Salary and benefits for program support teachers, literacy and early intervention teachers, the student services coordinator, counselors, classroom assistants, and advanced placement teachers are included in this category.

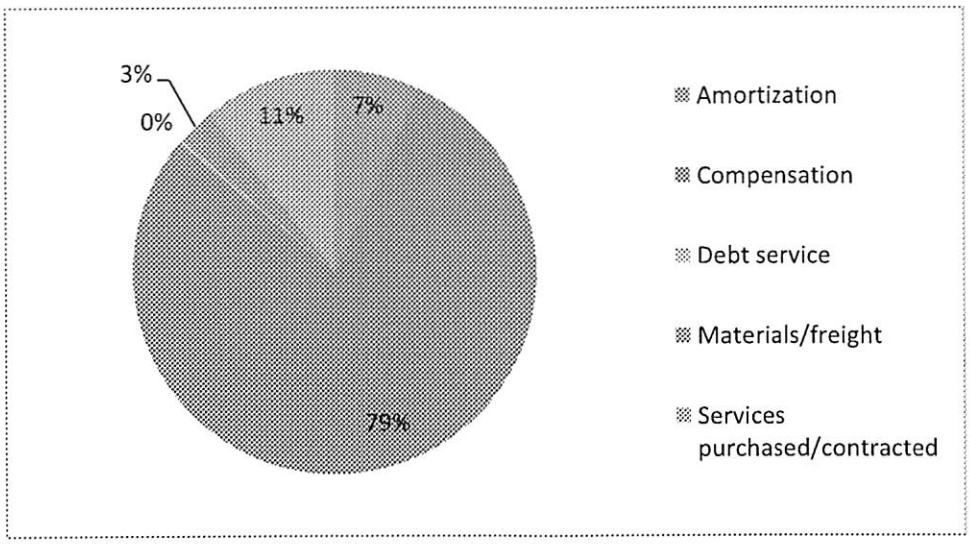
- Operations and maintenance (8%): Includes salary and benefits of maintenance staff, cost of electricity, fuel and water, expenditures on janitorial services, expenditures on repair and maintenance of our facilities (including minor capital projects).

- School programs (57%): Salary and benefits for the majority of teachers are recorded in this program. Other large components of expenditure in this program are salary and benefits for school administrative assistants, library technicians, and curriculum coordinators, the cost for school textbooks and supplies and the cost of busing services.

- Amortization (7%): This expense relates to the rational and systematic manner to write off the value of the tangible capital asset over an appropriate number of accounting periods.

Yellowknife Catholic Schools

Expenditures by Object



Expenditures by Object

- Compensation (79%): Includes salary for teachers, coordinators, classroom assistants, maintenance staff, administration assistants, library technicians, counsellors, technology staff, administrative staff and trustee honoraria. The majority of YCS staff is unionized and collective agreements with the unions specify pay and benefits for these staff. Compensation also includes employee benefits which consists of employer contributions to pension plans, extended health and dental plans, CPP, EI, WSCC premiums, life insurance, long term disability insurance, maternity leave, professional development, medical travel, vacation travel, removal benefits and other allowances.
- Services Purchased/contracted services (11%): Include busing, janitorial services, insurance services, security services and snow removal.
- Materials/freight (3%): Include expenses for material and freight of goods.
- Amortization (7%) : This expense relates to the rational and systematic manner to write off the value of the tangible capital asset over an appropriate number of accounting periods.
- Debenture interest: Include interest expense paid during the year for the Weledeh and Tallah building debentures.

Operating Deficit

At the end of the year, there was a deficit of $688,102 and this includes the amortization expense. Before the amortization expense, there was an operating surplus of $1,108,023.

Summary of Accumulated Surplus

	Opening	Increase (Decrease)	Closing
Operating Fund Surplus	$ 339,253	-$ 282,655	$ 56,598
Investment in Tangible Capital Assets	41,854,688	-411,053	41,443,635
Decentralized Budget Accumulated Surplus	270,186	5,606	275,792
	$ 42,464,127	**-$ 688,102**	**$ 41,776,025**

The operating fund surplus decreased by $282,655 during the year and this is mainly due to higher than anticipated pension costs. The increased pension cost is due to the wind up valuation and the requirement to pay the pension trust a portion of this pension valuation deficit. This requirement is a statutory requirement and the funds are held in the pension trust fund for future use. The wind up valuation payment for 2016 was $187,800 and the estimated wind up payment for 2017 is $350,000.

Investment in tangible capital assets represents the amount of funds received and recognized as revenue that allow us to purchase our tangible capital assets less accumulated amortization. The decrease in this account this year is due to amortization of our tangible capital assets offset by the principal portion of the repayment of debentures on WCS and the Tallah Building and offset by the purchase of a new roof at the Tallah building.

The decentralized budget accumulated surplus consists of funds, which are committed to or designated to specific purposes. The majority of these funds are professional development obligations carried forward under the terms of employment contracts. Other significant amounts in the decentralized budget accumulated surplus are school-based funds. Decisions on expenditure of school based funds are made by individual schools under YCS' School Based Decision Making Procedure.

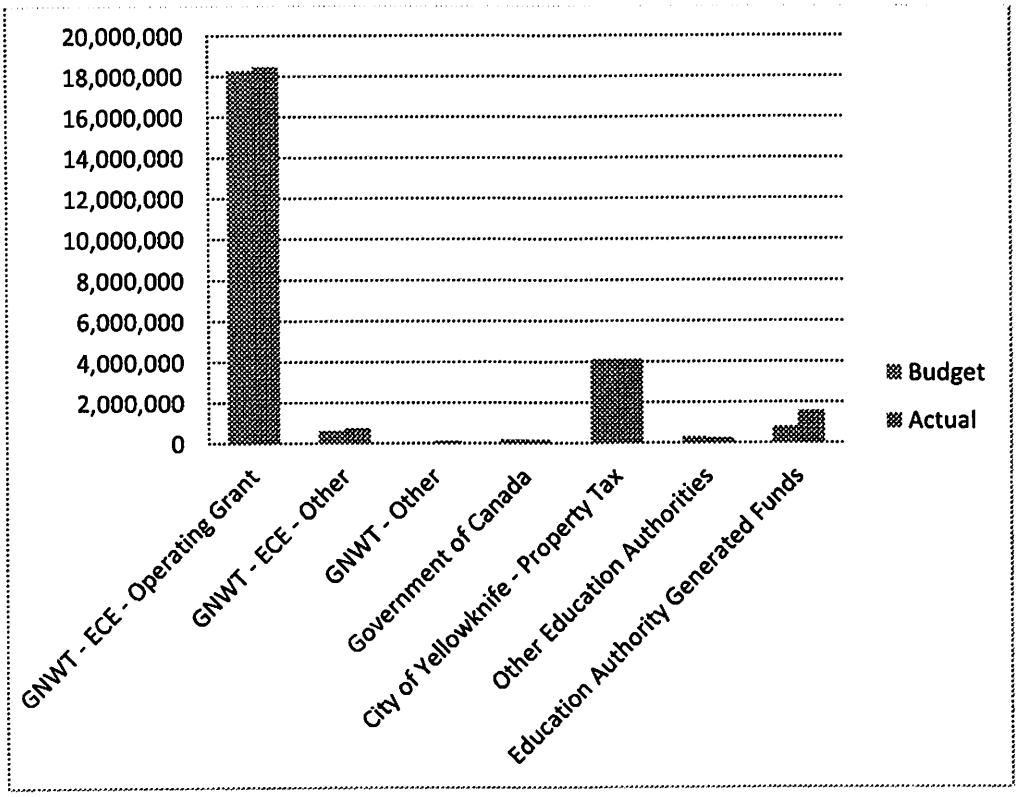
Budget Variance

Revenue

In 2016/2017, an annual deficit of $722,948 was budgeted and the actual deficit was $688,102 (variance $34,845).

The budgeted revenue for 2016/2017 was $24,173,540 and the actual revenue was $25,281,536. The increase in revenue is due to increased core and other contributions of approximately from the Government of Education, Culture and Employment. There was also an increase in education authority generated funds due to funds from a staff secondment and other sources of income.

Revenue – Current year (Actual) vs Budget



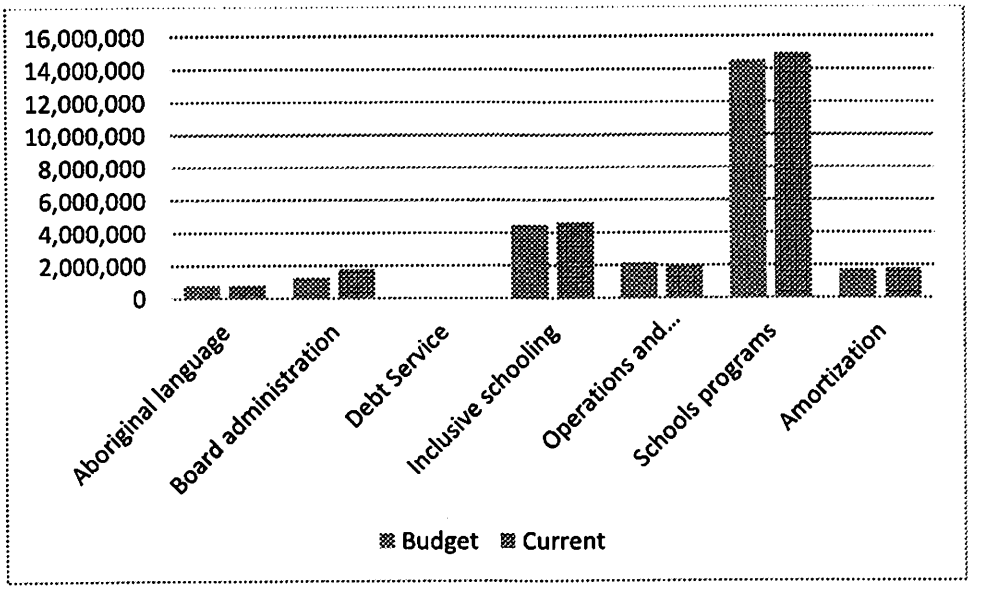
Yellowknife Catholic Schools

Expenditures

The budgeted expenditures for 2016/2017 were $24,896,488 and the actual expenditures were $25,969,638 resulting in a variance of $1,073,150. The difference in salaries is due to increased cost of special payments to the pension fund. The change in materials and supplies is due to higher supplies purchased for the Indigenous program at year end.

Expenditures – Budget vs. Actual

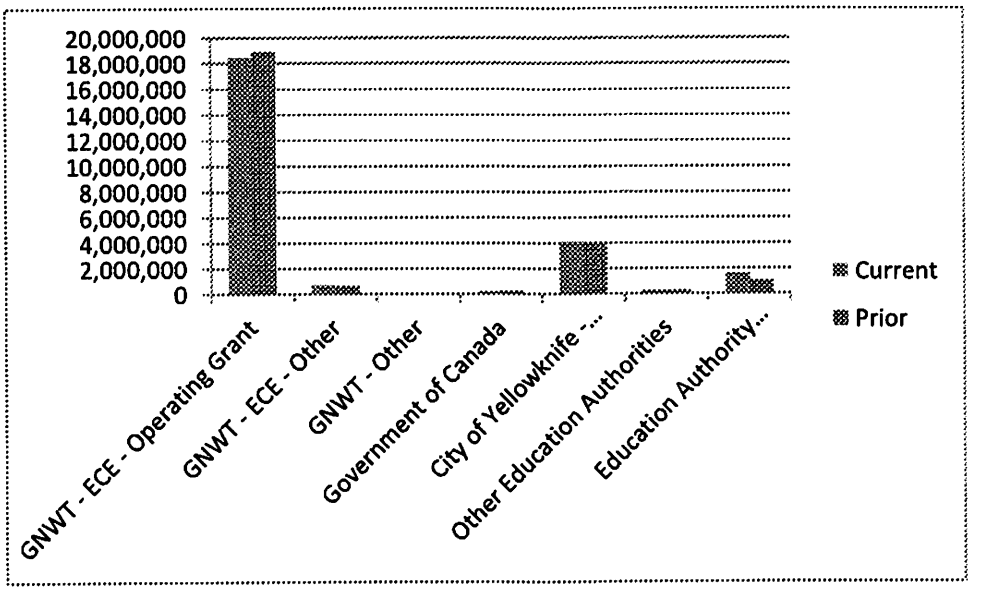
	Budget	Actual	Variance	%
Salaries	$14,880,392	$15,644,470	-$ 764,078	1.05
Employee Benefits	4,812,917	4,918,669	-105,752	1.02
Services Purchased/contracted	2,886,443	2,763,026	123,417	0.96
Materials/supplies/freight	544,306	771,098	-226,792	1.42
Amortization	1,700,000	1,796,125	-96,125	1.06
Debt Services	72,430	76,250	-3,820	1.05
	$24,896,488	$25,969,638	-$ 1,073,150	



Current Year Compared to Prior Year

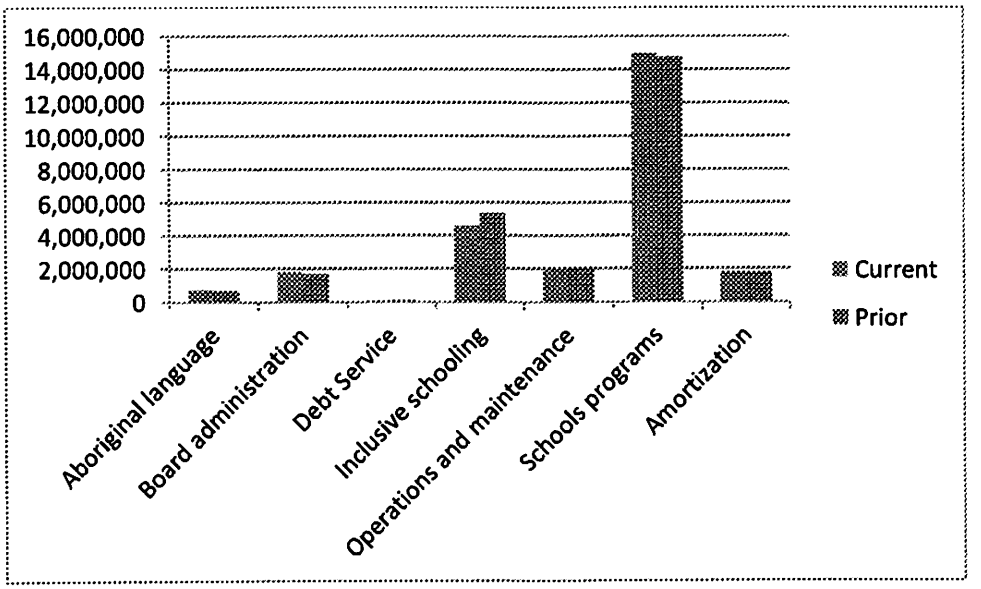
The prior year operating deficit was $1,399,519 and the current operating deficit is $688,102. Revenue in the prior year was $25,180,122 and $25,281,536 in the current year, resulting in a variance of $101,424. Expenditures in the prior year were $26,579,631 and $25,969,638 resulting in a variance of $606,993. The variance is mainly due to the reduction of some positions in the Central Services and Maintenance department.

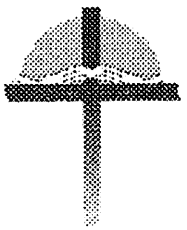
Revenue – current year (actual) compared to prior year



Yellowknife Catholic Schools

Expenditures – current year (actual) compared to prior year





Yellowknife Catholic Schools

Summary and Outlook

The 2017/2018 school year will be an exciting year at all three schools. We will continue to focus on 21st century learning skills. This year we continue the theme of Merciful Hearts, with the specific focus on Mercy that Serves.

As our population is growing, we are challenged by our space needs. We continue to work with ECE staff to resolve our space needs at École St. Joseph School.

We continue to struggle with the special needs requirements in the classroom. Due to financial constraints, we are unable to increase the number of classroom assistants.

In the budget for 2017/2018, the Trustees committed to supporting all the present programs and positions at Yellowknife Catholic Schools. The Trustees and administration will continue to work together to provide the best education while being fiscally responsible.

We have developed a five year capital plan that has identified the capital needs of the schools. Many of the projects will save operational costs as we look at providing more energy efficient items in our schools.

In 2017/2018, we will welcome Ms. Gillian Dawe-Taylor as the principal of École St. Patrick High School. Last year she was on secondment with the ECE and the former principal of École St. Joseph School.

YCS has a small operating fund deficit for the year and has a strong cash position that will allow us to continue to operate in a financially prudent manner in the future. We will continue to be challenged to provide quality education in a fiscally responsible manner. While we are faced with financial constraints, we will ensure that today's dollars are spent on today's students. This will ensure that all of our students are prepared for their exciting lives.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Financial Statements

June 30, 2017

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Financial Statements

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2017

The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Yellowknife Catholic Schools (YCS) in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Yellowknife Catholic Schools have been conducted within the statutory powers of the Education Authority. The operations and administration of the Education Authority as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the *Education Act*, *Financial Administration Act*, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Authority Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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 (ECE) of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Yellowknife Catholic Schools.

Claudia Parker **Superintendent**

Janet Toner **Assistant Superintendent - Business**

September 12, 2017

Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report

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

Report on Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of the Yellowknife Public Denominational District Education Authority ("Yellowknife Catholic Schools"), which comprises the consolidated statement of financial position as at June 30, 2017, and the consolidated statement of changes in net debt, the consolidated statement of operations, the consolidated statement of cash flows and the consolidated statement of accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal controls. An audit also included 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 consolidated 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, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yellowknife Catholic Schools as at June 30, 2017 and the results of its operations, changes in net debt 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 Catholic Schools, the consolidated financial statements are in agreement therewith and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of Yellowknife Catholic Schools.

Crowe MacKay LLP

Chartered Professional Accountants

Yellowknife, Northwest Territories
September 12, 2017

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2017	2016
Financial Assets		
Cash and cash equivalents (Note 4)	$ 4,215,783	$ 4,521,653
Due from the Government of Canada (Note 13)	132,809	118,976
Accounts receivable (Note 8)	318,181	275,827
	4,666,773	4,916,456
Liabilities		
Accounts payable and accrued liabilities (Note 10)	605,147	418,415
Payroll benefits payable	206,784	322,928
Due to the Government of Canada (Note 13)	11,685	33,058
Pensions (Note 15)	101,300	59,900
Long term debt (Note 16)	1,505,253	2,369,017
Deferred revenue (Note 11)	-	66,480
Post-employment benefits (Note 17)	806,054	753,217
Accrued payroll liabilities (Note 33)	2,642,768	2,707,128
	5,878,991	6,730,143
Net debt	**(1,212,218)**	(1,813,687)
Non-financial Assets		
Tangible capital assets (Note 19)	42,948,889	44,223,705
Prepaid expenses and deposits (Note 20)	39,354	54,109
	42,988,243	44,277,814
Accumulated Surplus	**$ 41,776,025**	$ 42,464,127
Represented By:		
Operating fund surplus	$ 56,597	$ 339,253
Investment in tangible capital assets	41,443,636	41,854,688
Decentralized budget accumulated surplus	275,792	270,186
	$ 41,776,025	$ 42,464,127

Contractual obligations and contingencies (Note 24 and 25)

Approved on behalf of the Board

Trustee **Trustee**

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Changes in Net Debt

For the period ended June 30,	2017	2016
Annual deficit	$ (688,102)	$ (1,399,519)
Change in prepaid expenses and deposits	14,755	9,913
Change in tangible capital assets	1,274,816	1,431,878
Decrease in net debt	**601,469**	42,272
Net debt, beginning of year	**(1,813,687)**	(1,855,959)
Net debt, end of year	**$ (1,212,218)**	$ (1,813,687)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Operations

For the period ended June 30,	2017 Budget	2017 Actual	2016 Actual
Revenue			
Government of the Northwest Territories			
Operating grant	$ 18,244,000	$ 18,424,022	$ 18,885,920
ECE - Other contributions	586,000	728,901	631,592
GNWT - Other contributions	-	98,631	72,968
	18,830,000	**19,251,554**	19,590,480
Government of Canada - grants and contributions	**182,000**	**161,108**	208,242
City of Yellowknife - property tax requisitioned	**4,077,000**	**4,088,719**	4,058,319
Other Education Authorities			
Extra-jurisdictional tuition	280,000	217,120	271,189
Joint venture funding	8,000	-	-
	288,000	**217,120**	271,189
Education authority generated funds (Note 35)	**796,540**	**1,563,035**	1,051,882
	24,173,540	**25,281,536**	25,180,112
Expenditures			
Aboriginal language and culture	746,888	833,735	706,050
Board administration (Schedule 1)	1,233,358	1,793,011	1,693,519
Debt service (Schedule 1)	72,430	76,250	115,695
Inclusive schooling (Schedule 2)	4,480,335	4,619,497	5,399,981
Operations and maintenance (Schedule 1)	2,142,680	1,984,141	2,117,151
School programs (Schedule 1)	14,520,797	14,866,879	14,774,819
Amortization (Schedule 1)	1,700,000	1,796,125	1,772,416
	24,896,488	**25,969,638**	26,579,631
Annual deficit	**$ (722,948)**	**$ (688,102)**	$ (1,399,519)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Cash Flows

For the period ended June 30,	2017	2016
Cash provided by (used in):		
Operating transactions		
Operating deficit	$ (688,102)	$ (1,399,519)
Items not affecting cash:		
Amortization	1,796,125	1,772,416
	1,108,023	372,897
Changes in non-cash working capital items		
Due from the Government of Canada	(13,833)	23,607
Accounts receivable	(42,354)	(170,083)
Accounts payable	186,732	(983,334)
Payroll benefits payable	(116,144)	(242,037)
Due to the Government of Canada	(21,373)	27,198
Pensions	41,400	33,500
Deferred revenue	(66,480)	(59,903)
Post employment benefits	52,837	113,143
Accrued payroll liabilities	(64,360)	359,169
Prepaid expenses	14,755	9,913
	(28,820)	(888,827)
Cash flow from financing activities		
Repayment of long term debt	**(863,764)**	(820,498)
Cash flow from capital activities		
Purchase of tangible capital asset	**(521,309)**	(340,538)
Increase (decrease) in cash	**(305,870)**	(1,676,966)
Cash and cash equivalents, beginning of year	**4,521,653**	6,198,619
Cash and cash equivalents, end of year	**$ 4,215,783**	$ 4,521,653

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Accumulated Surplus

For the period ended June 30,	2017	2016
Operating Fund Surplus		
Operating fund surplus, beginning of year	$ 339,253	$ 1,183,276
Annual deficit	(688,102)	(1,399,519)
Transfer from investment in tangible capital assets	411,052	611,380
Transfer from (to) decentralized budget accumulated surplus	(5,606)	(55,884)
Operating fund surplus, end of year	**$ 56,597**	$ 339,253
Transfer from Investment in Tangible Capital Assets consists of:		
Amortization	$ 1,796,125	$ 1,772,416
Capital acquisitions	(521,309)	(340,538)
Debenture principal repayment	(863,764)	(820,498)
	$ 411,052	$ 611,380
Investment in Tangible Capital Assets		
Investment in tangible capital assets, beginning of year	$ 41,854,688	$ 42,466,068
Amortization	(1,796,125)	(1,772,416)
Capital acquisitions	521,309	340,538
Debenture principal repayment	863,764	820,498
Investment in tangible capital assets, end of year	**$ 41,443,636**	$ 41,854,688
Decentralized Budget Accumulated Surplus		
Decentralized budget accumulated surplus, beginning of year	$ 270,186	$ 214,302
Transferred from (to) operating fund surplus	5,606	55,884
Decentralized budget accumulated surplus, end of year	**$ 275,792**	$ 270,186
Total Accumulated Surplus	**$ 41,776,025**	$ 42,464,127

1. Nature of the Organization

Yellowknife Public Denominational District Education Authority, Yellowknife Catholic Schools ("YCS") was established in July 1951 and is presently the only Catholic school board in the Northwest Territories. A full range of instructional programs ranging from Kindergarten through Grade 12 is offered by the YCS.

YCS 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.

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the YCS includes all aspects of operation and management relating to Catholic education within the boundaries of the City of Yellowknife. The Board of Trustees is the lowest (and sole) level of government exercising oversight responsibility. The consolidated financial statements of the YCS are not included in the financial statements of the City of Yellowknife as the YCS trustees are a separate governing body that is not under the control of the City of Yellowknife. The City of Yellowknife, however, does collect and remit property taxes requisitioned by the Board.

2. Significant Accounting Policies

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity, which is composed of all organizations which are controlled by YCS. These organizations include the three schools, maintenance shop and Kimberlite Career and Technical Centre.

The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for all funds. Under the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

YCS uses fund accounting to separate transactions between its Operating fund surplus, Investment in tangible capital assets and Decentralized budget accumulated surplus.

Operating Fund Surplus

The Operating fund surplus is the general operating fund of the YCS in which all transactions concerned with current operations are recorded. Substantially all territorial, local (primarily property tax), and other operating revenue is accounted for in the Operating fund surplus. In accordance with accounting principles that are considered appropriate for organizations of this type, tangible capital assets acquired and debenture debt repayment that are financed with operating funds are treated as expenditures in the Operating fund surplus and then transferred to the Investment in tangible capital asset fund. The Operating fund also accounts for expenditures and contributions to or from other funds (transfers) which provide for day-to-day operations.

2. Significant Accounting Policies (continued)

(a) Basis of Accounting (continued)

Operating Fund Surplus (continued)

In summary, the Operating fund surplus is used to account for all financial activities except those accounted for in the Investment in tangible capital assets fund and Decentralized budget accumulated surplus.

Investment in Tangible Capital Assets

The Investment in tangible capital assets fund is used to account for financial transactions related to the acquisition of tangible capital assets in excess of $50,000.

Properties are carried at cost at the date of acquisition and amortization is recorded in the accounts. The cost of additions and repayment of debentures or other long-term debt is charged to the Investment in tangible capital assets fund. This results in a corresponding increase in the equity in tangible capital assets. Other additions are initially charged to the statement of operations.

Decentralized Budget Accumulated Surplus

The Decentralized budget accumulated surplus fund represents specific amounts eligible for carry-over to subsequent years for each school.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques.

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial value is adjusted for financing fees and transactions costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets subsequently measured at amortized cost include cash and cash equivalents, accounts receivable, and due from the Government of Canada.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, long term debt, payroll benefits payable and accrued payroll liabilities.

There are no financial instruments subsequently measuerd at fair value.

2. Significant Accounting Policies (continued)

(c) Financial Instruments (continued)

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

(d) Non-Financial Assets

Prepaid expenses and other non-financial assets are accounted for as assets by YCS because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of YCS.

(e) Tangible Capital Assets

Tangible capital assets acquired for more than $50,000 are capitalized and amortized. Tangible capital assets are recorded at cost plus any betterments less accumulated amortization. The cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The buildings, portables and equipment will be amortized using the straight line method, based on their useful life. The buildings, portables and equipment have useful lives of 40, 25 and 10 years respectively. Any additions to the buildings and portables will be amortized over the remaining useful life of the assets.

(f) Revenue Recognition

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
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.

2. Significant Accounting Policies (continued)

(f) Revenue Recognition (continued)

GNWT - Regular Contributions
The regular contributions from the GNWT are determined by a funding formula, based on student enrolment, and are received in monthly installments. YCS retains surpluses and are responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the GNWT.

The YCS is economically dependent on the GNWT to provide funding for continued operations.

Local Tax Revenue
The *Education Act,* 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 YCS and is responsible for the collection of taxes.

Section 136(4) of the *Education Act* requires the amount requisitioned to be paid to the YCS in equal quarterly installments on or before the first day of the months of June, September, December and March.

Other Contributions
YCS follows the deferral method of accounting for contributions from funding arrangements. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be reasonably estimated and its collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Tuition fees revenue is recognized as educational services are provided. Insurance proceeds relating to ongoing expenses are recognized as the expenses are incurred. Insurance proceeds relating to building and equipment loss are recognized at the date of loss.

Deferred Revenue
Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

Special Purpose Funds
Schools in the system administer funds which arise from certain school and student activities. Such funds, although subject to internal review, are not recorded in the accounts or in the consolidated financial statements of the YCS as they do not constitute any part of the approved Operating fund surplus (deficit) budget and are available for use at the discretion of each individual school.

2. Accounting Policies (continued)

(g) Budget Data

The *Education Act* of the Northwest Territories requires that Education Authorities prepare an annual budget, as outlined in Section 128 and 129.

The priorities and funding allocations are determined by the Board of Trustees of each Education Authority and the budget is legally adopted by a motion of the Board in accordance with Section 135 (3) of the *Education Act.*

The budget is legally adopted by a motion of the Board which also establishes a tax levy to support the approved budget in accordance with Section 135(2) of the *Education Act.*

Budget approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by Sections 117(2) k, l and m of the *Education Act.*

This annual budget includes estimates of revenue and expenditures for the Operating fund surplus along with estimates of source and application for the Investment in tangible capital assets fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the YCS.

The budget may be amended within a given fiscal year in accordance with Board policy, regulations and approved budget procedures. The budget data presented in the consolidated financial statements reflects the Minister approved budget for the school year.

(h) Measurement Uncertainty

The preparation of consolidated financial statements in conformity with Canadian Public Sector Accounting Standards 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 consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

Inventories held for consumption or use are recorded at the lower of historical cost and replacement cost.

2. Accounting Policies (continued)

(j) Payroll Liabilities

Payroll costs for teachers are accrued for July and August. Payroll costs for members of the Union of Northern Workers (UNW) and employees who work for 10 and 11 months during the fiscal year are accrued as appropriate.

(k) Employee Future Benefits

i) Post employment benefits

YCS provides post employment benefits for certain employees pursuant to certain contracts and collective agreements. These include removal assistance, severance, long and short term disability, and sick leave.

Teachers and UNW employees leaving Yellowknife within one year of the date of resignation, after completing a minimum of two years experience with YCS, will receive removal assistance of $1,500 plus $400 for each year of consecutive service with YCS, excluding years on deferred salary leave. Teachers who leave the employment of YCS after twenty years of consecutive service will receive an additional payment of $2,000. This benefit is considered to vest and accumulate. YCS recognizes a liability and expense for this post employment benefit in the period in which teachers and UNW employees render services to YCS.

YCS recognizes a liability and an expense for post employment benefits and compensated absences that do not vest or accumulate when the event that obligates YCS occurs. This includes benefits to employees in the event of an accident or injury. The benefit would be accrued when the accident or injury occurs.

ii) Sick leave

Sick leave benefits accumulate but do not vest and are normally paid only upon an illness or injury-related absence. Such benefits are obligations and would be recognized. The actuarial company hired by the GNWT conducted a review and has estimated the sick leave obligation as at June 30, 2017.

iii) Pensions

Prior to May 1, 2013 all indeterminate full-time employees had the option to participate in a Defined Contribution (DC) pension plan. YCS contributions to this plan were recognized as an expense on a current year basis and represented YCS total pension obligations.

Effective May 1, 2013 the YCS added a Defined Benefit (DB) provision to the Pension Plan for the employees of Yellowknife Catholic Schools. The pension benefits under the DB provision are reported on an actuarial basis. This is done to determine the current value of future entitlements and uses various assumptions. When actual experience varies from assumptions, the resulting gains or losses are amortized on a straight line basis over the estimated average remaining service lives of the contributors.

2. Accounting Policies (continued)

(l) Employee Benefit Plans

The YCS contributes 100% of the premiums related to life insurance, long term disability insurance and extended health care benefits for eligible employees, in accordance with negotiated salary agreements and employment practices.

In addition, the YCS contributes 100% of the premiums related to dental insurance in accordance with negotiated salary agreements and employment practices.

Employee and employer contributions are made on behalf of all employees for statutory federal deductions related to Canada Pension Plan and Employment Insurance.

(m) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Transfers include entitlements and grants and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

(n) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exits; contamination exceeds the environmental standard; YCS is directly responsible or accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2017.

At each financial reporting date, Management reviews the carrying amounts of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. Management at YCS has concluded that there is no contamination that exceeds environmental standards and as a result there are no liabilities for contaminated sites.

(o) Net Debt

YCS's financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of YCS is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200
This new section defines a related party and establishes disclosures required for related party transactions. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Inter-entity Transactions, Section PS 3420
This new section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Assets, Section PS 3210
This new section provides guidance for applying the definition of assets and establishes general disclosure standards for assets. Disclosure information about the major categories of assets that are not recognized is required. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Contingent Assets, Section PS 3320
This new section defines and establishes disclosure on contingent assets. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Contractual Rights, Section PS 3380
This new section defines and establishes disclosure standards on contractual rights. Disclosure of the nature, extent, and timing or any contractual rights is required. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Restructuring Transactions, Section PS 3430
This new section establishes standards on how to record assets, liabilities, revenues and expenses related to restructuring transactions as well as disclosure requirements for the recipient and transferor. This Section applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Financial Instruments, Section PS 3450 and related amendments to Financial Statement Presentation, Section PS 1201
This standard will establish how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative financial instruments. Governments should adopt Section PS 3450 in the same fiscal year Section PS 2601, Foreign Currency Translation, is adopted. This Section is effective for fiscal periods beginning on or after April 1, 2019. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

3. Future Accounting Changes (continued)

Foreign Currency Translation, Section PS 2601
This section is replacing existing Section PS 2600, Foreign Currency Translation. Governments should adopt Section PS 2601 in the same fiscal year Section PS 3450, Financial Instruments, is adopted. This Section is effective for fiscal periods beginning on or after April 1, 2019. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management and is not considered significant.

Student Activity Funds
Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to be reported on the consolidated financial statements of Yellowknife Catholic Schools in the future.

4. Cash and Cash Equivalents

	2017	2016
Cash	$ 4,215,783	$ 4,521,653

The cash is held in a bank account with the Canadian Imperial Bank of Commerce (CIBC) and is invested with the GNWT's investment pool.

5. Special Purpose Funds

YCS does not have special purpose funds.

6. Restricted Assets

YCS does not have any restricted assets.

7. Portfolio Investments

YCS does not have any portfolio investments.

8. Accounts Receivable

	Accounts Receivable	AFDA	Net 2017	Net 2016
Due from GNWT	$ 263,563	$ -	$ 263,563	$ 136,964
Due from WSCC	2,136	-	2,136	-
Due from other	48,523	-	48,523	138,863
Due from related parties	3,959	-	3,959	-
Total	**$ 318,181**	**$ -**	**$ 318,181**	$ 275,827

9. Inventories

Inventories held for consumption or use are recorded at the lower of historical cost and replacement cost.

10. Accounts Payable and Accrued Liabilities

	2017	2016
Accrued interest	$ 3,821	$ 68,015
Damage deposits	3,262	3,262
Due from GNWT	1,004	-
Trades payable	597,060	347,026
Due to Workers' Safety and Compensation Commission	-	112
	$ 605,147	$ 418,415

11. Deferred Revenue

	2017	2016
Government of Canada - Public Health Agency Canada	$ -	$ 66,480

12. Contribution Repayable

YCS does not have any contribution repayable.

13. Due from and to the Government of Canada

	Accounts Receivable	AFDA	Net 2017	Net 2016
Receivable				
GST receivable	$ 132,809	$ -	$ **132,809**	$ 118,976
Payable				
Public Health Agency Canada	$ -	$ -	$ -	$ 33,058
GST payable	11,685	-	-	-
	$ **11,685**	$ -	$ **11,685**	$ 33,058

14. Capital Lease Obligations

YCS does not have any capital lease obligations.

15. Pensions

(a) Defined Contribution Plan

Since January 1, 1966 Yellowknife Catholic Schools indeterminate staff have had the option to participate in a voluntary Defined Contribution (DC) pension plan. Since January 1, 1988, that participation has been in the Pension Plan for the Employees of Yellowknife Catholic Schools (the Plan).

All DC assets of the Plan are held by a Trustee in favour of individual employees. The only obligation to YCS is to match employee contributions. YCS fully funds its DC obligation under the Plan each month. YCS did not have any liability under the DC provision of the Plan as of June 30, 2017.

Effective May 1, 2013 teaching and non-union staff could no longer contribute to the DC provision. Instead all indeterminate teaching and non-unionized staff joined a new Defined Benefit (DB) provision of the Plan. Effective July 1, 2013, all indeterminate unionized non-teaching staff also ceased to make contributions to the DC provision and joined the DB provision of the Plan. After July 1, 2013, there are no employees making contributions to the DC provision.

DC assets of the Plan will continue to be held in Trust for the individual employees unless they either elect to transfer their DC account to the DB provision or leave the employment of Yellowknife Catholic Schools.

No assets or liabilities related to the DC provision are recorded in the financial statements of Yellowknife Catholic Schools.

(b) Defined Benefit Plan

Effective May 1, 2013 a Defined Benefit (DB) provision was added to the Pension Plan for the Employees of Yellowknife Catholic Schools.

Summary of Defined Benefit provision:

Each permanent full-time employee, belonging to an eligible class of employees, automatically becomes a Member of the plan as of the first day of employment with YCS.

Each permanent part-time employee, belonging to an eligible class of employees, automatically becomes a Member of the plan if the employee earns at least 37% of the equivalent full-time earnings for his or her particular position.

All Members and the Employer have agreed to share the cost of benefits accrued annually, plus the administrative expenses of the DB plan in the following ratio:

- Employer 52.38%
- Employee 47.62%

Members are required to make contributions at 8.80% of earnings below the Year's Maximum Pensionable Earnings (YMPE) and 11.60% of earnings above YMPE. The YMPE for the 2017 calendar year is $55,300 (2016 - $54,900).

15. Pensions (continued)

(b) Defined Benefit Plan (continued)

The employer must contribute to the DB pension trust fund each year no less than its portion of the total current service cost as determined by the Actuary. In addition, YCS shall contribute to the Solvency Account such additional amounts as may be required, based on the advice of the Actuary, to amortize any going concern unfunded liabilities and solvency deficiencies of the Plan.

Normal retirement date for an employee is when they terminate employment with YCS having reached the age of 65. An employee would be entitled to an unreduced early retirement date when the Members' age plus years of service at YCS total 90. A Member may elect to retire up to 10 years prior to their normal retirement date or their unreduced retirement date and take a reduced pension benefit.

The annual pension payable to Member who retires at the normal retirement date is equal to 1.30% of the a Member's Best Average Pensionable Earnings up to the Average YMPE plus 2% of the Member's Best Average Pensionable Earnings in excess of the Average YMPE, multiplied by years of Pensionable Service. Pensionable Earnings and the YMPE are averaged over the best 10 years prior to termination, death or retirement.

The plan provides inflation protection during retirement at 75% of the increase in Northwest Territories Consumer Price Index.

Benefits are vested immediately.

During fiscal 2016/2017 Yellowknife Catholic Schools contributed **$1,535,319** ($1,591,275 in fiscal 2015/2016) in respect of DB accruals.

The date of the most recent actuarial valuation of the Plan is June 30, 2016. The Accrued Benefit Obligation was calculated using the projected unit credit method, pro-rated on service.

The DB Pension Trust fund assets are recorded at fair market value.

(c) Supplementary Defined Benefit Pension Plan

The supplementary plan applies to the Superintendent and the Assistant Superintendents. The supplementary plan provides a pension benefit for pensionable earnings in excess of the defined benefit limit set out in the Income Tax Act. This plan is a non-contributory plan and is not funded until the employee terminates their employment from Yellowknife Catholic Schools. The employer is responsible to provide a pension at retirement equivalent to what the employee would have earned under the Defined Benefit provision of the Pension Plan for the Employees of Yellowknife Catholic schools if there were no *Income Tax Act* maximum pension limits in place. The Accrued Benefit Obligation was calculated using the projected unit credit method, pro-rated on service.

15. Pensions (continued)

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2017 is as follows:

(d) Plan assets

	Pension Plan	Supplementary Plan	2017
Fair value, beginning of year	$ 13,112,900	$ -	$ 13,112,900
Expected return on plan assets	643,900	-	643,900
Employer contributions	1,752,100	-	1,752,100
Employee contributions	1,413,400	-	1,413,400
Employee prior service contributions	-	-	-
Benefit payments and expenses	(773,900)	-	(773,900)
Experience (loss) gain	106,700	-	106,700
Fair value, end of year	**$ 16,255,100**	**$ -**	**$ 16,255,100**

(e) Accrued benefit obligations

	Pension Plan	Supplementary Plan	2017
Balance, beginning of year	$ 12,881,900	$ 74,100	$ 12,956,000
Current service cost	2,637,700	38,800	2,676,500
Interest cost on accrued benefit obligation	681,000	1,400	682,400
Employer prior service cost	-	-	-
Employee prior service cost	-	-	-
Benefit payments and expenses	(773,900)	-	(773,900)
(Gains) / losses on accrued benefit obligation	(38,000)	12,100	(25,900)
Balance, end of year	**$ 15,388,700**	**$ 126,400**	**$ 15,515,100**

15. Pensions (continued)

(f) Funded status

	Pension Plan	Supplementary Plan	2017
Plan surplus / (deficit)	$ 866,400	$ (126,400)	$ 740,000
Unrecognized (gains) losses	255,600	25,100	280,700
Accrued benefit asset (liability) before limit on assets	1,122,000	(101,300)	1,020,700
Impact of limit on assets	(1,122,000)	-	(1,122,000)
Accrued benefit asset (liability) after limit on assets	**$ -**	**$ (101,300)**	**$ (101,300)**

(g) Determination of pension cost

	Pension Plan	Supplementary Plan	2017
Current service cost	$ 1,224,300	$ 38,800	$ 1,263,100
Interest on accrued benefit obligation	37,100	1,400	38,500
Amortization of losses / (gains)	31,000	1,200	32,200
Extraordinary items	-	-	-
Change in valuation allowance	459,700	-	459,700
Pension expense	**$ 1,752,100**	**$ 41,400**	**$ 1,793,500**

15. Pensions (continued)

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2016 is as follows:

(h) Plan assets

	Pension Plan	Supplementary Plan	2016
Fair value, beginning of year	$ 10,237,300	$ -	$ 10,237,300
Expected return on plan assets	519,500	-	519,500
Employer contributions	1,690,200	-	1,690,200
Employee contributions	1,464,200	-	1,464,200
Employee prior service contributions	5,100	-	5,100
Benefit payments and expenses	(544,900)	-	(544,900)
Experience (loss) gain	(258,500)	-	(258,500)
Fair value, end of year	$ 13,112,900	$ -	$ 13,112,900

(i) Accrued benefit obligations

	Pension Plan	Supplementary Plan	2016
Balance, beginning of year	$ 9,895,300	$ 24,800	$ 9,920,100
Current service cost	2,779,400	33,000	2,812,400
Interest cost on accrued benefit obligation	559,100	700	559,800
Employer prior service cost	18,200	-	18,200
Employee prior service cost	5,100	-	5,100
Benefit payments and expenses	(544,900)	-	(544,900)
(Gains) / losses on accrued benefit obligation	169,700	15,600	185,300
Balance, end of year	$ 12,881,900	$ 74,100	$ 12,956,000

15. Pensions (continued)

(j) Funded status

	Pension Plan	Supplementary Plan	2016
Plan surplus (deficit)	$ 231,000	$ (74,100)	$ 156,900
Unrecognized (gains) losses	431,300	14,200	445,500
Accrued benefit asset (liability) before limit on assets	662,300	(59,900)	602,400
Impact on limit of assets	(662,300)	-	(662,300)
Accrued benefit asset (liability)	$ -	$ (59,900)	$ (59,900)

(k) Determination of pension cost

	Pension Plan	Supplementary Plan	2016
Current service cost	$ 1,315,200	$ 33,000	$ 1,348,200
Interest on accrued benefit obligation	39,600	700	40,300
Amortization of losses/ (gains)	200	(200)	-
Extraordinary items	18,200	-	18,200
Change in valuation allowance	317,000	-	317,000
Pension expense	$ 1,690,200	$ 33,500	$ 1,723,700

(l) Actuarial assumptions

	2017	2016
Discount rate - pension plan	**4.75%**	4.50%
Discount rate - supplementary plan	**1.20%**	1.20%
Expected return on plan assets - pension plan	**4.75%**	4.50%
Expected return on plan assets - supplementary plan	**n/a**	n/a
Salary increase - pension plan	**2.00%**	2.00%
Salary increase - supplementary plan	**2.00%**	2.00%
Mortality table	**120% of the CPM 2014 table ***	120% of the CPM 2014 table *
Expected average remaining services lifetime (EARSL) - pension plan	**13.7 Years**	13.9 Years
Expected average remaining services lifetime (EARSL) - supplementary plan	**10.7 Years**	

* 2017 - 100% of the 2014 Canadian Pensioners' Public Sector Mortality Table with projection scale CPM-B; 2016 - 120% of the 2014 Canadian Pensioners' Private Sector Mortality Table with projection scale CPM-B.

15. Pensions (continued)

(m) Plan assets consist of:

	2017	2016
Fixed income securities	60%	60%
Equity securities	40%	40%

16. Long Term Debt

	2017	2016
VersaBank (formerly Pacific and Western) debenture facilities number 2, 3, and 4, repayable in monthly installments of $68,016, including interest at 5.73%, final installment on maturity due in March 2018.	$ 662,630	$ 1,417,219
Government of the Northwest Territories debenture, repayable in monthly installments of $10,000 including interest. Interest rate consistent with GNWT cost of borrowing at a current rate of 1.20%. If rates do not change the final installment will be due in 2024.	842,623	951,798
	$ 1,505,253	$ 2,369,017

The debenture are repayable annually as follows:	
2018	$ 773,123
2019	111,828
2020	113,156
2021	114,540
2022 and thereafter	392,606
	$ 1,505,253

The debentures are registered.

17. Post Employment Benefits and Compensated Absences

In addition to pension benefits, the YCS provides severance, removal and compensated absence (sick, accident or injury, special) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to YCS employees based on the appropriate combinations that include inputs such as when the employee was hired, the rate of pay, and the number of years of continuous employment. Removal benefits are paid to YCS employees based on the number of years of continuous employment. The benefits under these two categories were actuarially valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness, and death of an immediate family member. Non-accruing benefits include maternity. Benefits that accrue under compensated absence were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

17. Post Employment Benefits and Compensated Absences (continued)

Reconciliation of Accrued Benefit Obligation

	Severance and removal	Compensated absences	2017	2016
Accrued benefit obligation, beginning of year	$ 729,534	$ 23,684	$ 753,218	$ 562,852
Current service cost	47,309	2,119	49,428	171,255
Interest cost	21,931	777	22,708	36,000
Benefits paid	(16,234)	(3,066)	(19,300)	(16,890)
Plan amendments	-	-	-	-
Actuarial gains/losses	41,827	676,113	717,940	-
Accrued benefit obligations, end of year	824,367	699,627	1,523,994	753,217
Unamortized net actuarial gain/loss	(41,827)	(676,113)	(717,940)	-
Accrued benefit liability	**$ 782,540**	**$ 23,514**	**$ 806,054**	$ 753,217

17. Post Employment Benefits and Compensated Absences (continued)

Benefits Expense

	Severance and removal	Compensated absences	2017	2016
Current period benefit cost	$ 47,309	$ 2,119	$ 49,428	$ 171,255
Interest accrued	21,931	777	22,708	36,000
Benefit expense, end of year	**$ 69,240**	**$ 2,896**	**$ 72,136**	$ 207,255

The discount rate used to determine the accrued benefit obligation was an average an average of 3.3%, (2016 - 3.2%). The expected payments during the next five fiscal years are:

	Severance and removal	Compensated absences	Total
2018	$ 227,191	$ 200,292	$ 427,483
2019	172,294	108,531	280,825
2020	106,951	62,589	169,540
2021	70,122	43,067	113,189
2022	54,715	39,778	94,493
Total	**$ 631,273**	**$ 454,257**	**$ 1,085,530**

18. Trust Assets Under Administration

YCS does not have any trust assets under administration.

19. Tangible Capital Assets

	Cost	Additions	Disposals	Amortization	Accumulated Amortization	Net Book Value, June 30, 2017	Net Book Value June 30, 2016
Land and Improvements	$ 1,838,825	$ -	$ -	$ -	$ -	$ 1,838,825	$ 1,838,825
Equipment	463,115	-	-	63,508	198,202	264,913	328,421
Buildings and Portables							
Career and Technical Centre	2,878,913	-	-	73,888	957,826	1,921,087	1,994,975
Central Services offices	953,899	-	-	34,426	576,968	376,931	411,358
Ecole St. Joseph School	37,380,149	-	-	958,888	12,455,739	24,924,410	25,883,297
Ecole St. Patrick High School	11,723,900	521,309	-	319,497	6,471,897	5,773,312	5,571,499
Tallah Building	621,027	-	-	15,757	73,349	547,678	563,436
Weledeh Catholic School	12,557,840	-	-	330,161	5,256,107	7,301,733	7,631,894
	66,115,728	521,309	-	1,732,617	25,791,886	40,845,151	42,056,459
	$ 68,417,668	$ 521,309	$ -	$ 1,796,125	$ 25,990,088	$ 42,948,889	$ 44,223,705

20. Prepaid Expenses and Deposits

	2017	2016
Deposits	$ -	$ 1,105
Other prepaids	39,354	53,004
	$ 39,354	$ 54,109

21. Accumulated Surplus/Deficit

A consolidated statement of accumulated surplus/deficit has been prepared and included in the Consolidated Financial Statements.

22. Capital Advances

YCS does not have any capital advances.

23. GNWT Assets Provided At No Cost

YCS does not have any GNWT assets provided at no cost.

24. Contractual Obligations

YCS has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2017. YCS is committed to five janitorial contracts for various schools and buildings. All of the contracts expire in June 2018. YCS has a contract with First Canada ULC (o/a First Student Canada) for student transportation. The contract expires in June 2018 and can be extended for another three year period to June 2021. YCS has a contract with ThyssenKrupp for elevator maintenance. YCS is invoiced annually. This contract expires in February 2021. In its normal course of operations, YCS has leases for equipment. The equipment leases are payable in varying quarterly and annual installments.

24. Contractual Obligations (continued)

The future minimum payments are as follows.

	Expires in fiscal year	2018	2019 - 2022	Total
Equipment leases	2019-2021			
Photocopier leases		$ 62,287	$ 126,554	$ 188,841
		62,287	**126,554**	**188,841**
Operation contracts	**2018 - 2022**			
Employee assistance program	2019	10,243	7,682	17,925
Mail services	2018	6,553	-	6,553
Janitorial services	2018	574,873	-	574,873
Bussing services	2018	343,006	-	343,006
Elevator maintenance	2021	27,005	122,871	149,876
		961,680	**130,553**	**1,092,233**
		$ 1,023,967	**$ 257,107**	**$ 1,281,074**

Collective agreements with the Northwest Territories Teachers' Association and the Public Service Alliance of Canada as represented by its agent the Union of Northern Workers were negotiated during the year. A four year agreement with the Northwest Territories Teachers' Association was signed for the period from September 2016 to August 2020. A three year agreement has been agreed to by the Union of Northern Workers from July 2016 June 2019. The agreement will be signed by both parties in September 2017.

25. Contingencies

As of the audit report date, YCS does not have any contingencies.

26. Related Parties

YCS has the following transactions with government and other government controlled organizations:

Due to related parties:

	2017	2016
Government of the Northwest Territories		
Department of Infrastructure	$ 1,004	$ -
Workers' Safety and Compensation Commission	$ -	$ 112

Due from related parties:

	Accounts Receivable	AFDA	2017	2016
Government of the Northwest Territories				
Department of Education, Culture and Employment	$ 255,635	$ -	$ 255,635	$ 125,410
NWT Health & Social Services - Yellowknife Region	$ 7,416	$ -	$ 7,416	$ 11,554
Aurora College	$ 513	$ -	$ 513	$ -
YK Education District #1	$ 3,959	$ -	$ 3,959	$ -

26. Related Parties (continued)

Revenue from related parties:

	2017	2016
Government of the Northwest Territories		
Department of Education, Culture and Employment		
Operations and maintenance	$18,424,022	$18,936,397
French funding	$ 365,700	$ 280,000
Preschool subsidy	$ 62,300	$ -
4 Plus program	$ 100,000	$ 100,000
4th R training	$ 840	$ -
Aboriginal language	$ 59,000	$ 59,000
DELF	$ 40,000	$ -
French funding - resources	$ 24,700	$ 68,875
Secondment	$ 161,749	$ -
Self-regulation	$ 7,000	$ -
YK Family Centre	$ 40,500	$ 67,000
Other	$ 76,065	$ 210,595
Safe and caring schools	$ -	$ 10,000
Department of Municipal and Community Affairs		
Active After School	$ 48,900	$ 52,423
Regional youth sporting event - hand games	$ 25,000	$ -
Department of Health and Social Services		
Drop the Pop	$ 12,731	$ 12,545
Department of Environment & Natural Resources		
Take a Kid Trapping	$ 12,000	$ 8,000
Beaufort Delta Education Authority	$ 30,000	$ -
Aurora College - Tallah building rental	$ 118,051	$ 117,654
Workers' Safety and Compensation Commission	$ 2,102	$ -
NWT Health & Social Services - Yellowknife	$ 11,124	$ 32,466
Region - preschool payments		
Yellowknife District #1	$ 5,159	$ 600
Commission scolaire	$ -	$ 19,043
Dettah District Education Authority	$ 217,120	$ 271,189
Sahtu District Education Authority	$ -	$ 3,066
South Slave District Education Authority	$ -	$ 1,533
Tli Cho Community Services	$ -	$ 4,599

26. Related Parties (continued)

Expenses from related parties:

	2017	2016
Government of the Northwest Territories		
Department of Infrastructure	$ 1,984	$ 1,984
Department of Finance		
Debenture payments	$ 120,000	$ 120,000
NWT payroll tax	$ 341,466	$ 332,338

27. Budget Data

The *Education Act* of the Northwest Territories requires that Education Bodies 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 Education Body which includes the establishment of 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 YCS.

The budget figures presented are those approved by the Trustees of YCS on May 16, 2016 and have not been audited.

28. Economic Dependence

YCS receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that YCS operations would be significantly affected.

29. Risk Management

YCS is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the YCS's financial instruments is provided by type of risk below.

a) Credit risk

Credit risk is the risk of financial loss to the YCS if a debtor fails to make payments of interest and principal when due. The YCS is exposed to this risk relating to its cash and cash equivalents, due from the Government of Canada, and accounts receivable. The YCS holds its cash in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the YCS's cash in accounts are insured up to $300,000.

YCS's maximum exposure to credit risk is represented by the financial assets balance for a total of **$4,666,773** (2016 - $4,916,452).

Accounts receivable are ultimately due from the departments of the Government of Canada and the Northwest Territories and pertain to outstanding contribution agreements. Accounts receivable from the Government of Canada represents goods and services tax receivable from the Government of Canada. There is a concentration of credit risk as the majority of the deposits are held in one Canadian chartered bank and more than 10% of the total accounts receivable is from the Government of the Northwest Territories. The amounts represent a low credit risk as the debtors are reputable governments and government organizations with a good credit score.

b) Interest rate risk

YCS manages its exposure to interest rate risk through fixed rate borrowings for its debentures. The fixed rate debts are subject to interest rate price risk, as the value will fluctuate as a result of changes in interest rates.

29. Risk Management (continued)

c) Liquidity risk

Liquidity risk is the risk that the YCS will not be able to meet all cash outflow obligations as they come due. The YCS mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

The table below shows when various financial assets and liabilities mature.

Financial assets	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	$ 4,215,783	$ -	$ -	$ -
Due from the government of Canada	132,809	-	-	-
Accounts receivable	318,181	-	-	-
Total assets	**$ 4,666,773**	**$ -**	**$ -**	**$ -**
Total assets - prior year	$ 4,916,456	$ -	$ -	$ -

Financial liabilities	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	$ 605,147	$ -	$ -	$ -
Payroll benefits payable	206,784	-	-	-
Due to the Government of Canada	11,685	-	-	-
Long term debt	-	773,123	455,446	276,684
Accrued payroll liabilities	2,642,768	-	-	-
Total liabilities	**$ 3,466,384**	**$ 773,123**	**$ 455,446**	**$ 276,684**
Total liabilities - prior year	$ 4,320,533	$ 779,641	$ 2,568,874	$ 620,641
Net total	**$ 1,200,389**	**$ (773,123)**	**$ (455,446)**	**$ (276,684)**
Net total - prior year	$ 595,923	$ (779,641)	$ (2,568,874)	$ (620,641)

There have been no significant changes from the previous year in the exposure to risks or policies, procedures, and methods used to measure the risks.

30. Expenditures By Object

	2017 Budget	2017 Actual	2016 Actual
Amortization	$ 1,700,000	$ 1,796,125	$ 1,772,416
Compensation	19,693,309	20,563,139	21,079,290
Interest on long term debt	72,430	76,250	115,695
Materials/freight	544,306	771,098	586,809
Services purchased/contracted	2,886,443	2,763,026	3,025,421
	$ 24,896,488	$ **25,969,638**	$ 26,579,631

31. Subsequent Events

Subsequent to the year end, YCS contracted Arcan Roofing and Clading Ltd. to perform roof repairs at the central services building for proper drainage and standing water for $97,723.

32. Comparative Figures

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

33. Payroll Liabilities

	2017	2016
Teachers - Northwest Territories Teachers' Association	$ 2,144,352	$ 2,137,079
Non-Teacher - Union of Northern Workers	498,416	570,049
	$ **2,642,768**	$ 2,707,128

34. Statement of Remeasurement Gains and Losses

YCS does not have any remeasurement gains or losses.

35. Education Authority Generated Funds

	2017 Budget	2017 Actual	2016 Actual
Donations	$ 15,000	$ 66,991	$ 53,897
Fees and sales	278,540	430,421	405,992
Investments	60,000	48,293	54,378
Other	263,000	850,029	371,463
Rentals	180,000	167,301	166,152
	$ 796,540	**$ 1,563,035**	$ 1,051,882

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 1
Operating Fund - Detail of Expenditures

For the period ended June 30, 2017

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Board Administration	Aboriginal Languages (Schedule 3)	Transfers & Others	Total 2017	Budget 2017	Total 2016
Salaries									
Teachers	$9,329,075	$1,384,523	$ -	$ -	$ 468,737	$ -	$11,182,335	$10,454,043	$11,226,086
Instruction assistants	-	1,523,776	-	-	-	-	1,523,776	1,588,659	1,611,090
Non-instructional	928,950	464,247	233,020	1,246,915	-	-	2,873,132	2,770,178	2,727,410
Board honoraria	-	-	-	65,227	-	-	65,227	67,512	68,474
	10,258,025	**3,372,546**	**233,020**	**1,312,142**	**468,737**	**-**	**15,644,470**	14,880,392	15,633,060
Employee Benefits									
Employee benefits	3,264,407	1,131,584	88,673	216,523	150,774	-	4,851,961	4,795,917	5,226,784
Leave and termination benefits	16,234	-	-	50,474	-	-	66,708	17,000	219,446
	3,280,641	**1,131,584**	**88,673**	**266,997**	**150,774**	**-**	**4,918,669**	4,812,917	5,446,230
Services Purchased/Contracted									
Advertising/publishing	2,922	-	-	38,164	10,489	-	51,575	76,600	67,699
Communication	47,134	680	6,903	19,023	-	-	73,740	78,938	80,846
Contracted services	585,887	7,472	643,527	1,215	7,920	-	1,246,021	1,182,790	1,185,668
Maintenance & repairs	-	2,431	242,271	-	2,379	-	247,081	297,148	302,379
Other	187,989	6,640	12,976	46,154	-	-	253,759	130,100	321,775
Professional/technical	3,466	30,176	-	19,575	800	-	54,017	148,757	146,736
Rental/leases	31,986	882	-	7,374	-	-	40,242	120,160	111,301
Student transportation	-	5,157	-	-	-	-	5,157	7,250	11,663
Travel	9,415	-	-	25,248	-	-	34,663	33,800	54,445
Utilities: Electricity	-	-	413,441	-	-	-	413,441	438,000	426,019
Heating	-	-	246,679	-	-	-	246,679	282,400	219,418
Water/sewage	-	-	96,651	-	-	-	96,651	90,500	97,472
	868,799	**53,438**	**1,662,448**	**156,753**	**21,588**	**-**	**2,763,026**	2,886,443	3,025,421
Materials/Freight									
Materials	454,220	61,929	-	57,119	192,636	-	765,904	532,306	582,443
Freight	5,194	-	-	-	-	-	5,194	12,000	4,366
	459,414	**61,929**	**-**	**57,119**	**192,636**	**-**	**771,098**	544,306	586,809

Continued on next page

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 1 (Continued)
Operating Fund - Detail of Expenditures

For the period ended June 30, 2017

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Administration	Aboriginal Languages (Schedule 3)	Transfers & Others	**Total 2017**	Budget 2017	Total 2016
Amortization	$ -	$ -	$ -	$ -	$ -	$ 1,796,125	$ 1,796,125	$ 1,700,000	$ 1,772,416
Debenture Interest	-	-	-	-	-	76,250	76,250	72,430	115,695
	-	-	-	-	-	1,872,375	1,872,375	1,772,430	1,888,111
Total	$14,866,879	$ 4,619,497	$ 1,984,141	$ 1,793,011	$ 833,735	$ 1,872,375	$25,969,638	$24,896,488	$26,579,631

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Schedule 2
Detail of Inclusive Schooling Expenditures

For the period ended June 30, 2017

	Staff Development	Intervention Strategies	Assistive Technology	Early Childhood	Magnet Facilities	General Inclusive Schooling	Total
Salaries							
Consultants	$ -	$ -	$ -	$ -	$ -	$ 115,717	$ 115,717
Non-instructional	-	193,734	-	270,513	-	-	464,247
Support assistants	-	1,466,310	-	-	57,466	-	1,523,776
Teachers	45,032	1,116,482	-	-	107,292	-	1,268,806
	45,032	**2,776,526**	**-**	**270,513**	**164,758**	**115,717**	**3,372,546**
Employee Benefits	**68,759**	**910,249**	**-**	**71,179**	**50,094**	**31,303**	**1,131,584**
Services Purchased/Contracted							
Contracted services	-	-	-	7,472	-	-	7,472
Communication	-	-	-	680	-	-	680
Maintenance & repairs	-	-	2,431	-	-	-	2,431
Professional/technical	585	28,202	-	1,389	-	-	30,176
Rental/leases	-	-	-	882	-	-	882
Student transportation	-	5,157	-	-	-	-	5,157
Other	-	6,640	-	-	-	-	6,640
	585	**39,999**	**2,431**	**10,423**	**-**	**-**	**53,438**
Materials/Freight	**5,931**	**21,025**	**9,561**	**10,433**	**2,979**	**12,000**	**61,929**
Total	**$ 120,307**	**$ 3,747,799**	**$ 11,992**	**$ 362,548**	**$ 217,831**	**$ 159,020**	**$ 4,619,497**

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 3
Aboriginal Language and Culture Program Expenditures

For the period ended June 30, 2017

	Student Instruction	Teaching/ Learning Resources	Total
Salaries			
Elders honorarium	$ 55,105	$ -	$ 55,105
Teachers	371,134	42,498	413,632
	426,239	**42,498**	**468,737**
Employee Benefits	**144,189**	**6,586**	**150,774**
Services Purchased/Contracted			
Contracted services	7,920	-	7,920
Maintenance and repairs	2,379	-	2,379
Printing and publishing	-	10,489	10,489
Professional/technical	800	-	800
	11,099	**10,489**	**21,588**
Materials/Freight	**192,636**	**-**	**192,636**
Total	**$ 774,163**	**$ 59,573**	**$ 833,735**

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 4
Aboriginal Language Materials

For the period ended June 30, 2017

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total
Revenue			
Secretary of State Funding Aboriginal Languages	$ 44,250	$ 14,750	$ 59,000
Expenditures			
Salary and benefits	36,444	12,640	49,084
Supplies and materials	5,996	4,493	10,489
	42,440	17,133	59,573
Surplus (deficit)	$ 1,810	$ (2,383)	$ (573)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 5
Four Plus

For the period ended June 30, 2017

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total
Revenue			
Contract	$ 75,000	$ 25,000	$ 100,000
GNWT - Department - Subsidy	19,566	6,522	26,088
Usage	53,298	17,766	71,064
	147,864	**49,288**	**197,152**
Expenditures			
Operations and maintenance	1,614	1,040	2,654
Salary and benefits	103,758	77,060	180,818
	105,372	**78,100**	**183,472**
Surplus (deficit)	**$ 42,492**	**$ (28,812)**	**$ 13,680**

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 6
Yellowknife Family Centre

For the period ended June 30, 2017

	July 1, 2016 to March 31, 2017	April 1, 2017 to June 30, 2017	Total
Revenue			
Health Canada	$ 161,108	$ -	$ 161,108
Government of the Northwest Territories	40,500	-	40,500
Other	3,950	-	3,950
	205,558	**-**	**205,558**
Expenditures			
Operations and maintenance	16,891	-	16,891
Salary and benefits	160,873	-	160,873
	177,764	**-**	**177,764**
Surplus	**$ 27,794**	**$ -**	**$ 27,794**

On March 31, 2017, the Family Centre was successfully transferred to the YWCA NWT.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 7
French Language Programs

For the period ended June 30, 2017

	Contribution from GNWT	Commitment from YCS	Actual Expenditures	(Over) under Expenditures
Bilateral Agreement Funding				
Special Projects				
Consultant - Immersion/Core French	$ 60,000	$ 87,000	$ 152,044	$ (5,044)
Core French (salary and benefits)	100,000	182,000	302,281	(20,281)
French cultural activities	4,000	5,000	12,453	(3,453)
French resources	11,000	8,000	60,704	(41,704)
Late Immersion Salary	72,000	48,000	125,154	(5,154)
Late Immersion Supplies	9,600	6,400	16,000	-
Late Immersion Training	1,800	1,200	609	2,391
Late immersion Camp	1,800	1,200	3,309	(309)
Literacy (salary and benefits)	56,000	65,000	161,057	(40,057)
Professional development	4,000	8,000	15,548	(3,548)
Teacher assistant (salary and benefits)	45,500	30,000	78,412	(2,912)
Total	**$ 365,700**	**$ 441,800**	**$ 927,571**	**$ (120,071)**
Regular GNWT Funding				
Core French			$ 466,687	
Immersion Program			1,415,225	
Total			**$ 1,881,912**	

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 8
Student Success Initiative Projects

For the period ended June 30, 2017

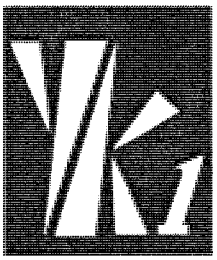
	21st Century/ Google	Differentiated Professional Development	Total
Revenue			
Government of Northwest Territories - Department of Education, Culture and Employment	$ 55,000	$ 48,000	$ 103,000
Expenditures			
Professional development	56,388	11,448	67,836
Substitute teacher wages	854	46,925	47,779
	57,242	58,373	115,615
Deficit	$ (2,242)	$ (10,373)	$ (12,615)

Yellowknife District No.1 Education Authority

(Yellowknife Education District No. 1)

Financial Statements

June 30, 2017



Yellowknife District No. 1 Education Authority

(the Authority)

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YELLOWKNIFE EDUCATION DISTRICT NO.1
OF THE NORTHWEST TERRITORIES
DISTRICT SCOLAIRE No.1 DE YELLOWKNIFE
Box 788, Yellowknife, NT X1A 2N6
Tel : (867) 766-5050 Fax : (867) 873-5051
yk1.nt.ca – yk1@yk1.nt.ca

Management Discussion and Analysis

June 2017

Introduction

Yellowknife Education District No. 1 (YK1) Administration:

Metro Huculak, Superintendent of Education/CEO
Ed Lippert, Assistant Superintendent
Tram Do, Director of Corporate Services

Current Board Members:
John Stephenson, Chairperson
Allan Shortt, Acting Vice Chairperson

Trustees:
Tina Drew
Jay Butler
Terry Brookes
Rajiv Rawat

Active Committees include:

- Policy Committee
- Public Relations Committee
- Finance Committee

YK1 Core Strategies

To ensure all students reach their highest level of learning by:

- Increasing success rate of early learners
- Consistently increasing the percentage of students working at grade level
- Increasing the percentage of students who successfully graduate or complete high school programs
- Increasing the success of all students reflecting the diversity of the student population
- Increasing student success in Mathematics and Science

To ensure all students receive programming which responds to their diverse learning needs in a respectful and inclusive manner by:

- Maintaining a high level of satisfaction with our Inclusive Education Program
- Strengthening inclusive school communities
- Increasing the level of competence among teachers in their ability to deal with diverse needs

To ensure all students are engaged in Indigenous languages, perspectives and culture-based education by:

- Integrating culturally relevant learning into instructional programming
- Increasing the offerings of the Willideh language
- Ensuring all schools reflect Indigenous Language and culture
- Engaging all students in Indigenous cultural experiences
- Increasing the number of skilled instructors of Indigenous language and culture-based education
- Strengthening relationships with Indigenous communities

To ensure all students engage in healthy lifestyles and respectful, caring relationships by:

- Increasing student participation in physical activities
- Improving student involvement and participation in the Arts
- Increasing student awareness of nutrition and the importance of healthy food choices
- Promoting positive relationships, resiliency and good citizenship
- Increasing awareness and access to wellness and mental health activities

Operating Environment

YK1 operates six schools in the City of Yellowknife. The following lists key programming in our schools:

Mildred Hall School (JK-8)

- Mildred Hall School (MHS) is an English school which also offers Core French and Tlicho language courses
- The school offers many extracurricular activities such as team sports, fine arts, guitar, fiddling and various band instruments; alternative sports such as mountain biking roller blading; alternative options such as magic, lego and crochet clubs
- An "On the Land Mentorship" program was established where students are paired with Aboriginal experts and elders to learn important skills like snaring, tanning moose hide and setting nets
- MHS provides a breakfast and hot lunch program. The school also has a large garden where students grow vegetables that are used in the foods program
- 'Peacemakers', a peer leadership group in the school, promotes education surrounding bullying and bullying prevention

N.J Macpherson School (JK-5)

- NJM is an English school which offers Core French
- Special programs at NJM include Montessori, Visual Arts, Music, Drama and Gymnastics. Several extracurricular sports, clubs and after-school programs are also offered
- Aboriginal language and culture is integrated into classroom sessions and students attend culture camps throughout the year
- NJM has an active Parent Advisory Council and a strong recycling program

École J.H. Sissons (JK-5)

- École J.H. Sissons School (ÉJHS) offers French Immersion programming
- Special programs include choir, musical theatre, afterschool athletic program and a speed skating academy. Afterschool activities include judo, soccer, improvisation, painting, chess and choir
- ÉJHS celebrates diversity through various events during the year
- Students and staff participate in a 7-day annual French language and culture camp - 'Camp de neige' - at the Yellowknife Ski Club

École William McDonald Middle School (6-8)

- École William McDonald Middle School (ÉWMS) offers programming for grades 6 to 8 in both English and French Immersion
- Other French options include: Intensive French - Grade 6, Post-Intensive French - grade 7 and 8, and Core French - Grade 6 to 8
- ÉWMS offers exploratory programs such as Industrial Arts, Home Economics and Outdoor Education

- The school offers a multi-sport Sports Academy program which includes hockey, soccer, dance, fitness and cross training. A newly-constructed fitness room allowed the school to expand its sports programming in the 2016-17 school year
- Special multiple-day camps available for Grade 8 students such as Camp Akaitcho and Hidden Lake Canoe Trip

Range Lake North School (JK-8)

- Intensive French is offered in Grade 6, Post-Intensive French in Grades 7 and 8 and Core French is offered in Grades 6 to 8
- Aboriginal language and culture is integrated into classroom sessions and students attend culture camps throughout the year
- Special programs at RLNS include music, band, fine arts, choir and drama
- Range Lake North School (RLN) offers an advanced technology program and technology classes are offered in robotics
- RLNS has an Athletic Excellence program and offers many extracurricular sports
- RLN has an active and involved Parent Advisory Committee who organize their largest fundraiser, Family Fun Night in the spring. All proceeds go back to support RLNS students

École Sir John Franklin High School (9-12)

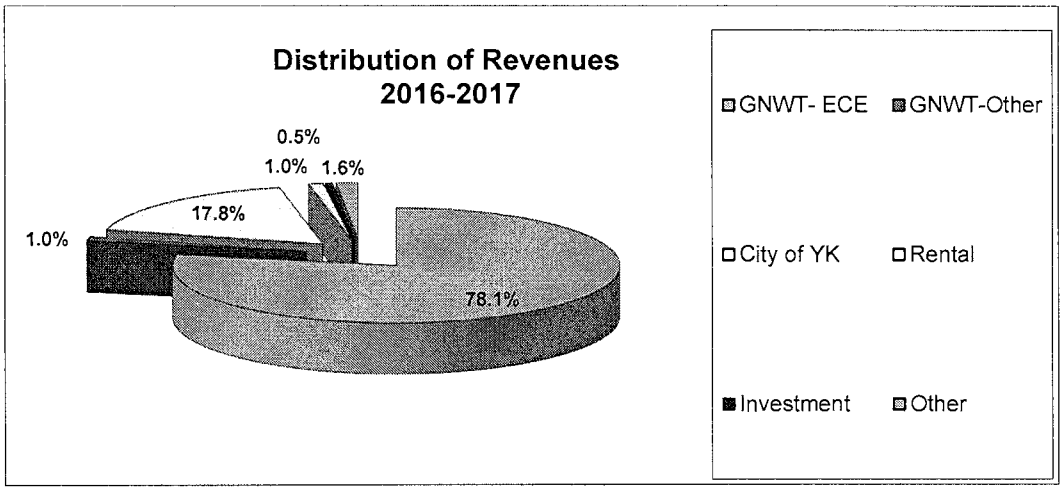
- École Sir John Franklin High School (ÉSJF) offers programming from Grades 9 to 12 in both English and French Immersion
- ÉSJF has a dynamic Fine Arts program which includes music, band, choir, drama and visual arts
- The school offers an extensive trades curriculum and work experience program which includes Industrial Arts, automotives and esthetics
- ÉSJF offers Aboriginal culture programming and camps including Tlicho language instruction
- The school has a successful Sports Academy and several extra-curricular sports and clubs are offered
- ÉSJF has an At-Risk Student program which provides support and resources for students struggling in school, socially, or at home. Each at-risk student is assigned a student support staff person, and they organize weekly check-ins with the student to ensure they are on track for graduation. For those students that need counselling or suffer from addictions, weekly visits from Yellowknife Health & Social Services are arranged
- The school offers many opportunities for students to travel abroad for volunteering, scuba club trips and a French Immersion trip
- Night classes are also available

Route 51 Learning:

Route 51 Learning Institute is an alternate high school program which offers:

- a flexible schedule designed to accommodate students
- credits for work experience
- smaller student-to-teacher ratio, and students can focus on one course at a time

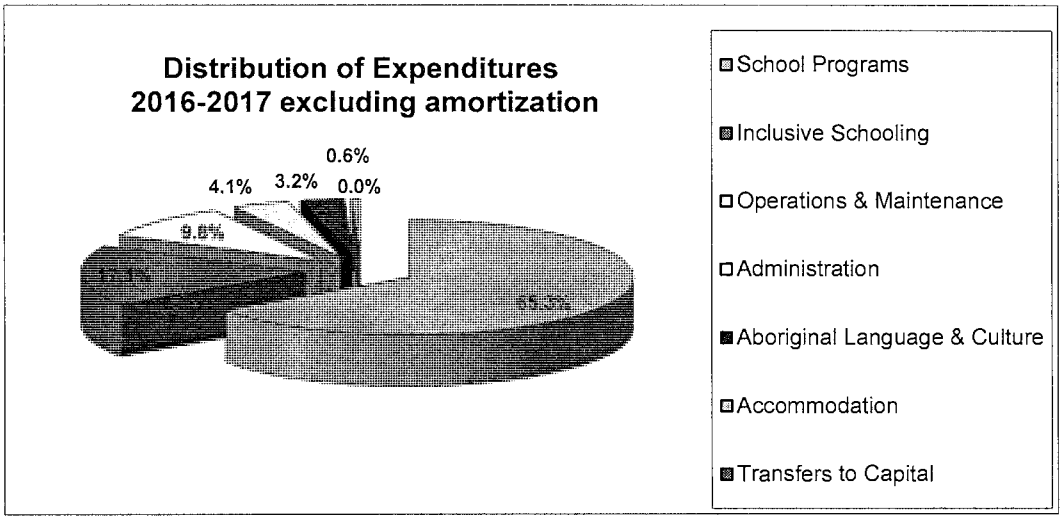
Financial Condition



Revenues

	$
GNWT- ECE	26,550,111
GNWT-Other	354,097
Property Taxation	6,062,772
Rental	347,206
Investment	170,637
Other	531,089
Total Revenues	**34,015,912**

Funding from the Department of Education, Culture and Employment (ECE) makes up 78.1% of YK1's revenues. Property taxation revenue is 17.8% and the remainder is generated from investment income, Nordic Arms apartment rentals, preschool fees, superintendent services and parking lot rentals.



Expenses (excluding amortization)

School Programs	22,185,440
Inclusive Schooling	5,793,570
Operations & Maintenance	3,327,864
Administration	1,395,138
Aboriginal Language & Culture	1,077,829
Accommodation	197,630
Total Expenses	**33,977,470**

Expenditure allocations are based on the Department of Education, Culture and Employment (ECE) funding formula. 85.6% of expenditures consist of school programs, inclusive schooling, and Aboriginal Language and Culture which are directly related to schools.

Unrestricted Surpluses

The accumulated operating surplus is the overall operations of the district, the decentralized surplus is school operations and maintenance, and capital surplus is for major capital expenditures.

Surplus	2016/2017	2015/2016	Change
Operating	566,402	729,783	-163,381
Capital	904,165	904,165	0
Decentralized(Schools)	246,285	130,049	+116,236
Total Accumulated Surplus	1,716,852	1,763,997	-47,145
Unfunded :			
Leave and Termination Benefits	1,705,424	1,645,992	+59,432
	3,422,276	**3,409,984**	**+12,287**

The accumulated operating surplus decreased by $163,381 and the decentralized surplus increased by $116,236, the total change is an overall decrease of $47,145. The overall unrestricted surplus is 4.8% ($1,716,852/$35,606,554) of total 2017/2018 budgeted expenditures excluding amortization.

The accumulated unrestricted surplus has enabled YK1 to maintain quality programming for students, which has been a key strength of the district.

YK1 has older schools that require replacement or renovation. ECE has started the planning study for the J.H. Sissons renovations. The contract for J.H. Sissons School schematic design has been awarded. YK1 continues to lobby ECE to have Mildred Hall School renovations completed.

Some of the District's schools are underutilized. YK1 participates in space-sharing with Commission Scolaire Francophone Territories Du Nord-Ouest (CSFC)and various other groups to fill some of these spaces.

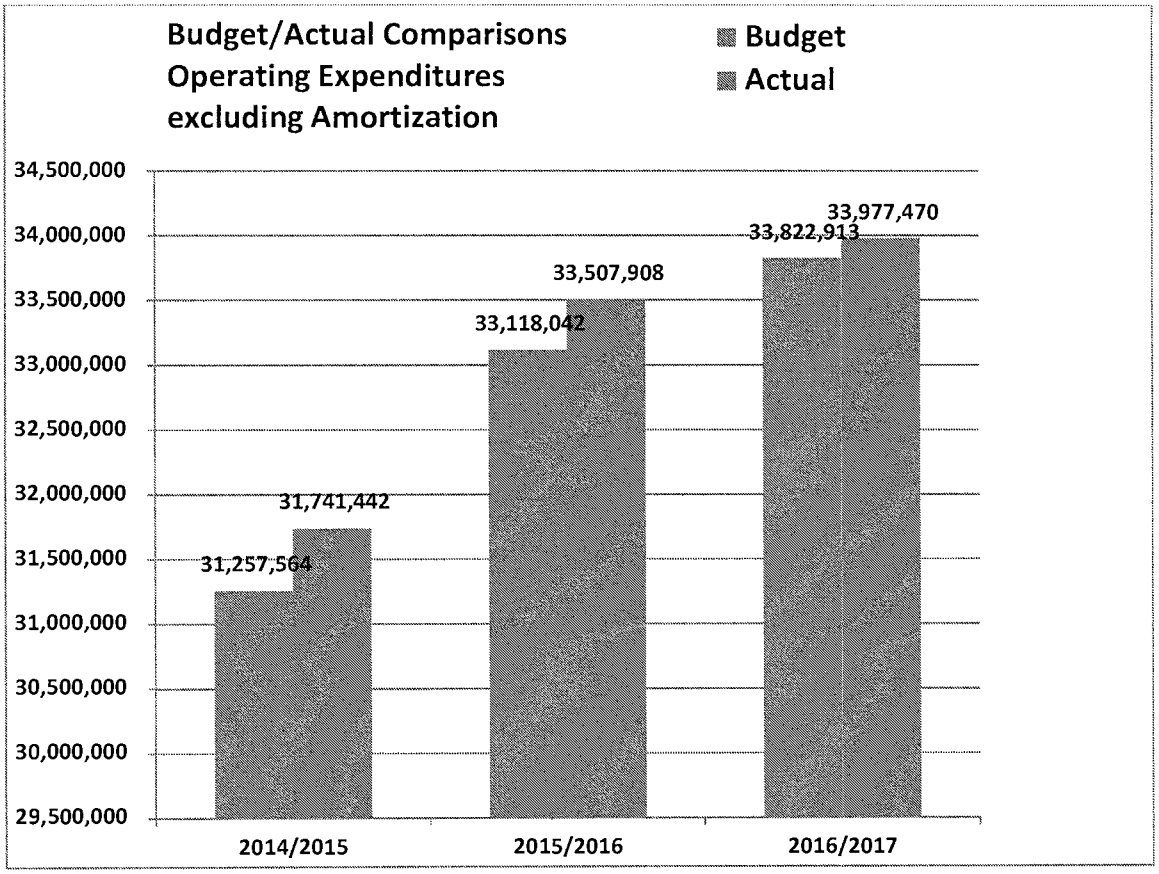
Restricted Reserves

The Department of Education, Culture and Employment has agreed to allow YK1 to maintain the unspent utility funding to be used for conversion of current lighting to LED lighting in the schools and minor capital expenditures. LED lights can save 30% or more on energy costs. ECE has agreed to allow YK1 to keep all utilities savings to be reinvested into minor capital projects or LED lighting upgrades.

YK1 has completed the LED light conversion for all outdoor lights and emergency exit lights at schools and buildings. This project completed April 2017. Over the summer months, DT Electric will be converting all the gymnasium lights in the schools to LED lights.

LED Restricted	2016/2017	2015/2016	Change
Beginning Balance	336,450		+336,450
Utility Savings	215,376	336,450	-121,074
Outdoor Lights Conversion	-129,789		-129,789
Total LED Reserve	**422,037**	**336,450**	**+85,587**

Budget/Actual Comparisons



YK1 revenues are higher than budget by $427,000 due to:

- ECE revenues higher by $83,000 due to Mentorship and terminations funding
- French Revenue higher due to increased funding from ECE and other school boards, in the amount of $131,000
- Custodial cost recovery from CSFC (French school board), in the amount of $31,000
- Portfolio Investment income higher by $68,000 from previous years' interest owed from the GNWT Investment pool
- MACA, $111,800 for active after-school and youth outdoor activities funding
- Drop the pop funding in the amount of $22,233, Take a kid trapping and compost program in the amount of $ 21,500
- Rental revenue lower by $32,000 due to changing revenue recognition of teachers July and August rent payments to the next fiscal year

YK1 expenses variance highlights are:

- Amortization of fixed assets of $982,742 was not considered when the budget was prepared

- Large variances under School Programs and Administration are due to Information Technology staff. The cost of $355,000 was originally budgeted under Administration but the budget was amended in September and they are coded back under School Programs
- Schools saved on their O&M and substitute costs, therefore their surpluses increased by $116,000
- School programs O&M increase by $240,000 due to increased O&M supplies, busing costs, removal and recruitment costs, homeschooling

	Enrolment K-12		Teachers/ Admin/ PST		Pupil/Teacher ratio	
School	Sep-16	Jun-17	Sep-16	Jun-17	Sep-16	Jun-17
Mildred Hall School	247.00	259.00	16.00	16.50	15.44	15.70
JH Sissons	248.00	247.00	18.00	17.45	13.78	14.15
William McDonald School	210.00	207.00	14.00	14.45	15.00	14.33
NJ Macpherson School	283.50	284.00	17.50	17.50	16.20	16.23
Range Lake North School	288.00	278.00	20.00	20.00	14.40	13.90
Sir John Franklin High School	634.50	679.00	32.50	32.50	19.52	20.89
Total District	**1,911.0**	**1,954.0**	**118.00**	**118.40**	**16.19**	**16.50**

Overall enrolment increased by 43 students by the end of the year.

Summary and Outlook

In 2016-2017, YK1 faced many challenges including important decisions about the use of its facilities, the rollout and preparation of Junior Kindergarten (JK) and budget restrictions.

Despite these challenges, the Board looks back proudly at their achievements and successes over the past year:

- YK1 continued to work with the community to enrich student development by facilitating new learning opportunities including:
    - Elders in school programs
    - Artists and musician visits
    - Adding programs at SJF to include more CTS modules and a drones class
    - Workshops and field trips to various Yellowknife establishments
- The District is transitioning from fluorescent lightbulbs to LED lightbulbs. This will be more environmentally sustainable, and will save the District and ECE money in the long-term. All the outdoor lights are now LED lights, the school gym lights will be converted to LED lights over the summer.
- Outdoor beautification initiatives and gardening at the District's schools continues to be a priority of the Board
- All of the schools continued to offer a food program, which included a breakfast, lunch and snacks for students who need that kind of support
- Parent conversation nights held at YK1 schools encouraged parents to speak about what programming they wanted to see at their schools

- The Board finalized the Strategic Plan for 2016-2019, which includes a strong focus on literacy and numeracy, inclusive schooling, Aboriginal culture and promoting healthy relationships and lifestyles

Foreseeable Challenges for 2017-2018

- While a unanimous decision to retain all YK1 facilities status quo was reached, the Board is aware that enrolment and facility decisions will continue to be discussed
- The Board has approved a 5-year Capital Plan for YK1 schools. The Plan has been submitted to ECE to assist with their Capital planning
- The Board contracted Associated Environmental to complete a Hazardous Building Material Assessment of all YK1 buildings. The final report is expected to be presented to YK1 in September. There are potential remediation costs as a result of findings
- The YK1 Board is preparing for the rollout of the GNWT's JK in YK1 schools in the 2017-18 school year with no additional funding for Inclusive Education, Aboriginal Language and Culture, and busing
- The three Yellowknife school boards have chosen to jointly review alternative scenarios for JK busing in the fall of 2017, which will be in line with the contract renewal for busing services for 2018/2019
- The Department of Education, Culture and Employment has contracted A to Z to come up with Shared Services options for education authorities in the Northwest Territories. A report is expected to be released for September 2017

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 Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Yellowknife District No. 1 Education Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Authority's Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or hazards within its jurisdiction.

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 material 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

Tram Do
Director of Corporate Services
Yellowknife District No. 1 Education Authority

Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report

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

We have audited the accompanying consolidated financial statements of the Yellowknife District No. 1 Education Authority (the Authority), which comprise of the consolidated statement of financial position as at June 30, 2017, consolidated statements of operations, consolidated changes in net assets, and consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yellowknife District No. 1 Education Authority as at June 30, 2017, and its consolidated financial performance 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 transactions that have come under our notice, have, in all significant respects, been within the statutory powers of Yellowknife District No. 1 Education Authority.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 12, 2017

Chartered Professional Accountants

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Financial Position — Statement 1

As at June 30,	2017 $	2016 $
FINANCIAL ASSETS		
Cash (Note 4)	**2,134,439**	668,843
Portfolio Investments (Note 7)	**5,031,812**	5,193,662
Due from Government of Canada (Note 13)	**166,457**	89,104
Accounts Receivable (Note 8)	**923,210**	1,569,312
	8,255,918	7,520,921
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 10)	**511,328**	292,534
Payroll Liabilities	**3,743,113**	3,363,405
Leave and Termination Benefits (Note 17)	**1,705,424**	1,645,992
Vacation payable	**290,984**	267,122
Deferred revenue (Note 11)	**20,000**	26,000
	6,270,849	5,595,053
NET FINANCIAL ASSETS	**1,985,069**	1,925,868
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	**133,540**	147,714
Tangible Capital Assets (Note 19)	**13,538,438**	14,521,180
Inventories (Note 9)	**20,280**	26,865
	13,692,258	14,695,759
ACCUMULATED SURPLUS	**15,677,327**	16,621,627
Represented by:		
Operating Fund	**566,402**	729,783
Investment in Tangible Capital Assets	**13,538,438**	14,521,180
Decentralized Surplus	**246,285**	130,049
Capital Fund Reserve	**904,165**	904,165
LED Reserve	**422,037**	336,450
	15,677,327	16,621,627

Contractual Obligations (Note 24), Contingencies (Note 25)

Approved on behalf of the board:

Trustee _____ **Trustee** _____

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Operations — Statement 2

For the year ended June 30,	2017 Budget $	2017 Actual $	2016 Actual $
REVENUE			
Government of the Northwest Territories			
Regular contributions	25,594,148	**25,678,111**	25,143,756
Other contributions	123,000	**314,237**	335,233
Aboriginal languages	60,000	**60,000**	60,000
French revenue	422,000	**523,000**	438,157
Total ECE	26,199,148	**26,575,348**	25,977,146
GNWT other contributions	-	**155,533**	182,160
Property tax requisitioned	6,071,000	**6,062,772**	5,879,078
Education authority generated funds			
Rental income	380,000	**347,206**	398,626
Portfolio investment income	102,000	**170,637**	103,222
Other	836,332	**704,416**	568,997
	1,318,332	**1,222,259**	1,070,845
Total revenue	33,588,480	**34,015,912**	33,109,229
EXPENDITURES			
School programs	21,706,926	**22,185,439**	21,594,278
Inclusive schooling	5,743,750	**5,793,570**	5,963,079
Staff accommodations	197,500	**197,630**	201,858
Operations and maintenance	3,253,661	**3,327,864**	3,164,669
Administration	1,812,074	**1,395,138**	1,506,971
Aboriginal language/cultural programs	1,109,002	**1,077,829**	1,077,050
Amortization	-	**982,742**	1,024,113
Total operating expenditures	33,822,913	**34,960,212**	34,532,018
Operating deficit before other items	(234,433)	**(944,300)**	(1,422,789)
Other items			
Grant in-kind - GNWT Assets provided at no cost (Note 23)	-	**1,361,287**	1,799,767
Rent expense - GNWT Assets provided at no cost (Note 23)	-	**(1,361,287)**	(1,799,767)
Operating deficit	(234,433)	**(944,300)**	(1,422,789)
Opening accumulated surplus	-	**16,621,627**	18,044,416
Closing accumulated surplus	(234,433)	**15,677,327**	16,621,627

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Changes in Net Financial Assets — Statement 3

For the ended June 30,	2017 $	2016 $
Operating deficit	(944,300)	(1,422,789)
Amortization of tangible capital assets	982,742	1,024,113
	38,442	(398,676)
Change in inventory	6,585	(58)
Change in prepaid expenses	14,174	22,707
	20,759	22,649
Increase (decrease) in net assets	59,201	(376,027)
Net asset at beginning of year	1,925,868	2,301,895
Net asset at end of year	**1,985,069**	1,925,868

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Cash Flows — Statement 4

For the year ended June 30,	2017 $	2016 $
Cash provided by (used in)		
OPERATING TRANSACTIONS		
Operating deficit	(944,300)	(1,422,789)
Item not affecting cash:		
Amortization	982,742	1,024,113
Changes in non-cash assets and liabilities		
Decrease (increase) Due from Government of Canada	(77,353)	7,729
Decrease (increase) accounts receivable	646,102	(65,240)
Increase (decrease) accounts payable	218,795	(149,174)
Increase (decrease) payroll liabilities	379,708	293,507
Increase (decrease) leave and termination benefits	59,432	69,375
Increase (decrease) vacation payable	23,862	(9,527)
Increase (decrease) deferred revenue	(6,000)	(46,000)
Decrease (increase) prepaid expenses	14,174	22,707
Decrease (increase) inventories	6,584	(58)
CASH PROVIDED BY (USED FOR) OPERATING TRANSACTIONS	**1,303,746**	(275,357)
INVESTING TRANSACTIONS		
Disposition of portfolio investments	161,850	989,444
CASH PROVIDED BY INVESTING TRANSACTIONS	**161,850**	989,444
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
CASH USED FOR CAPITAL TRANSACTIONS	-	-
FINANCING TRANSACTIONS		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
CASH PROVIDED BY FINANCING TRANSACTIONS	-	-
DECREASE IN CASH AND CASH EQUIVALENTS	**1,465,596**	714,087
CASH (BANK INDEBTEDNESS) AT BEGINNING OF YEAR	**668,843**	(45,244)
CASH (BANK INDEBTEDNESS) AT END OF YEAR	**2,134,439**	668,843

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Details of Expenditures

Statement 5

For the year ended June 30,	School Programs $	Inclusive Schooling $	Staff Accommodation $	Operations and Maintenance $	Administration $	Aboriginal Languages $	**Total 2017 $**	Budget 2017 $	Total 2016 $
SALARIES									
Honoraria	-	-	-	-	70,275	-	**70,275**	72,908	62,145
Instructional assistants	785,647	2,290,812	-	-	-	96,988	**3,173,447**	3,244,083	3,100,709
Non-instructional staff	2,006,175	-	20,839	527,235	918,866	286,360	**3,759,475**	3,343,000	3,734,597
Teachers	14,121,209	2,676,937	-	-	29,598	286,740	**17,114,484**	15,452,159	16,116,117
	16,913,031	4,967,749	20,839	527,235	1,018,739	670,088	**24,117,681**	**22,112,150**	23,013,568
EMPLOYEE BENEFITS									
Employee benefits/allowances	2,370,401	651,448	1,385	115,174	148,320	76,833	**3,363,561**	5,733,420	4,097,827
Leave and termination benefits	99,352	(37,235)	-	(3,100)	(5,504)	5,919	**59,432**	-	70,321
	2,469,753	614,213	1,385	112,074	142,816	82,752	**3,422,993**	**5,733,420**	4,168,148
SERVICES PURCHASED									
Advertising and printing	-	-	-	-	31,270	-	**31,270**	32,800	30,744
Communication	58,830	567	-	7,976	41,174	-	**108,547**	91,460	131,973
Contracted services	373,406	111,768	-	250,027	-	139,721	**874,922**	732,373	770,330
Maintenance and repairs	54,868	42,669	76,249	639,405	8,965	33,941	**856,097**	638,627	702,427
Other	143,606	-	-	-	69,477	-	**213,083**	201,000	199,039
Professional and technical	571,950	25,873	-	97,500	34,483	49,529	**779,335**	496,900	860,853
Rentals and leases	139,454	-	-	-	7,745	-	**147,199**	168,576	148,622
Student transportation	444,772	21,349	-	-	-	8,270	**474,391**	433,000	449,544
Travel	70,681	-	-	-	-	985	**71,666**	5,000	103,405
Utilities									
Heating	-	-	38,499	610,809	-	-	**649,308**	695,000	568,065
Electricity	-	-	35,650	911,925	-	-	**947,575**	1,000,000	965,454
Water/Sewage	-	-	23,403	168,766	-	-	**192,169**	172,000	182,927
	1,857,567	202,226	173,801	2,686,408	193,114	232,446	**5,345,562**	**4,666,736**	5,113,383
MATERIALS									
Awards and student events	13,871	-	-	-	7,703	-	**21,574**	25,500	41,146
Freight	10,483	-	-	908	3,986	-	**15,377**	31,699	21,175
Materials and supplies	920,734	9,382	1,605	1,239	28,780	92,543	**1,054,283**	1,253,408	1,150,485
	945,088	9,382	1,605	2,147	40,469	92,543	**1,091,234**	**1,310,607**	1,212,806
AMORTIZATION	-	-	-	-	982,742	-	982,742	-	1,024,113
Total operating expenditures	22,185,439	5,793,570	197,630	3,327,864	2,377,880	1,077,829	**34,960,212**	**33,822,913**	34,532,018

Yellowknife District No. 1 Education Authority

(the Authority)

Details of Aboriginal Language and Culture-Based Education Expenditures **Statement 6**

For the year ended June 30,	Student Instruction $	Professional Development $	School Activities and Integrated Community Programs $	Total 2017 $
SALARIES				
ALCBE Teachers	286,740	-	-	**286,740**
Instructional Assistants	96,988	-	-	**96,988**
Non Instructional Staff	-	-	286,360	**286,360**
	383,728	-	286,360	**670,088**
EMPLOYEE BENEFITS	82,752	-	-	**82,752**
SERVICES PURCHASED				
Professional and technical	-	49,529	-	**49,529**
Travel	-	985	-	**985**
Maintenance and repairs	-	-	33,941	**33,941**
Student travel	-	-	8,270	**8,270**
Contracted services	-	-	139,721	**139,721**
	-	50,514	181,932	**232,446**
MATERIALS				
Materials and supplies	-	-	92,543	**92,543**
Total operating expenditures	466,480	50,514	560,835	**1,077,829**

Yellowknife District No. 1 Education Authority

(the Authority)

Details of Inclusive Schooling Expenditures **Statement 7**

For the year ended June 30,	Student Resources $	General Inclusive Schooling $	**Total 2017 $**
SALARIES			
Program support teachers	-	2,676,937	**2,676,937**
Support assistants	20,839	2,269,973	**2,290,812**
	20,839	4,946,910	**4,967,749**
EMPLOYEE BENEFITS	-	614,213	**614,213**
SERVICES PURCHASED			
Professional and technical	25,873	-	**25,873**
Communication	567	-	**567**
Student transportation	21,349	-	**21,349**
Maintenance and repairs	42,669	-	**42,669**
Contracted services	111,768	-	**111,768**
	202,226	-	**202,226**
MATERIALS			
Materials and supplies	9,382	-	**9,382**
Total operating expenditures	232,447	5,561,123	**5,793,570**

French Language Program

BILATERAL AGREEMENT FUNDING
For the year ended June 30, 2017

	Contribution from the Department $	Commitment from the Authority $	Expenses $	Over (under) funding $
Literacy Coach (Salary)	70,000	50,000	139,107	(19,107)
Core French Instruction (Salary)	50,000	75,000	176,254	(51,254)
Teacher Assistants (Salary)	35,000	35,000	85,324	(15,324)
Intensive & PIF (Salary)	70,000	230,000	559,074	(259,074)
PIF (Elective courses at SJF)	50,000	10,000	98,098	(38,098)
Special Projects				
French Camps	13,000	2,000	44,805	(29,805)
French Resources	46,000	10,000	41,231	14,769
Assessment, Intensive French	15,000	5,000	33,644	(13,644)
Cultural Activities	12,000	3,000	14,388	612
Professional Development	31,000	9,000	54,186	(14,186)
Consultant	80,000	140,000	179,892	40,108
Total	**472,000**	**569,000**	**1,426,003**	**(385,003)**

Aboriginal Languages

For the year ended June 30,	2017 $
Secretary of State (Heritage Canada)	
Revenue	
Contribution from federal government	60,000
Expenses	
Salaries and benefits	60,815
Deficit	(815)

Yellowknife District No. 1 Education Authority

(the Authority)

Report on Activities of Specific Programs — Statement 10

Student Success Initiative Projects

For the year ended June 30,	2017 $
Revenue	
Government of the Northwest Territories	123,000
Contribution from the Authority	15,000
Surplus carry-over	(23,231)
Total revenue	**114,769**
Expenses	
Salaries/Wages	
Facilitator fees (including per diems)	50,299
Substitute teacher wages	56,100
Travel	
Facilitator travel	7,413
Workshop expenses	
Refreshments	957
Total expenses	**114,769**
Deficit	-

Report on Activities of Specific Programs — Statement 11

Community Outreach Program

For the year ended June 30,	2017 $
Revenue	
NT/NU Council of Friendship Centres	120,000
Deficit from Prior Years	(15,773)
Total revenue	**104,227**
Expenses	
Salaries and benefits	74,488
Materials and supplies	38,626
Total expenses	**113,114**
Deficit	**(8,887)**

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.

The Authority 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 ("the Board") has decision making authority, the power to delegate authority, the ability to significantly influence operations and the sole accountability for all fiscal matters.

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the Authority includes all aspects of operation and management relating to Public Education within the boundaries of the City of Yellowknife. The Board is the lowest (and sole) level of government exercising oversight responsibility. The financial statements of the Authority are not included in the financial statements of the City of Yellowknife as the Authority trustees are a separate governing body that is not under the control of the City of Yellowknife. The City of Yellowknife, however, does collect and remit property taxes requisitioned by the Board.

2. Significant Accounting Policies

a) Basis of Accounting

The consolidated financial statements of the Authority have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The consolidated financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality. The basis of accounting refers to the timing of when revenue and expenditure items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for all funds. Under the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

The Authority uses fund accounting to separate transactions between its Operating fund surplus, Investment in tangible capital assets and decentralized budget accumulated surplus.

2. Significant Accounting Policies (Continued)

Operating Fund Surplus

The Operating fund surplus is the general operating fund of the Authority in which all transactions concerned with current operations are recorded. Substantially all territorial, local (primarily property tax), and other operating revenue is accounted for in the Operating fund surplus. In accordance with accounting principles that are considered appropriate for organizations of this type, tangible capital assets acquired and debenture debt repayment that are financed with operating funds are treated as expenditures in the Operating fund surplus and then transferred to the Investment in tangible capital asset fund. The Operating fund also accounts for expenditures and contributions to or from other funds (transfers) which provide for day-to-day operations. In summary, the Operating fund surplus is used to account for all financial activities except those accounted for in the Investment in tangible capital assets fund and decentralized budget accumulated surplus.

Investment in Tangible Capital Assets

Investment in tangible capital assets is used to account for financial transactions related to the acquisition of tangible capital assets in excess of $50,000.

Properties are carried at cost at the date of acquisition and amortization is recorded in the accounts. The cost of additions and repayment of debentures or other long-term debt is charged to Investment in tangible capital assets. This results in a corresponding increase in the equity in tangible capital assets.

Decentralized Budget Accumulated Surplus

The decentralized budget accumulated surplus represents specific amounts eligible for carry-over to subsequent years for each school.

LED Reserve

The LED Lights Reserve represents the unspent portion of the ECE's utility funding since the 2014/2015 school year as a result of lower fuel costs. The reserve funds will be used for YK1 to convert current lights to LED lights which are expected to result in a decrease of at least 30% in electricity costs.

b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques.

2. Significant Accounting Policies (Continued)

c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arms's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Financial assets measured at amortized cost include cash, portfolio investments, accounts receivable and due from Government of Canada.

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

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset is recognized in operations.

d) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

2. Significant Accounting Policies (Continued)

e) 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.

The GNWT retains ownership of some tangible capital assets used by the Authority. These assets are used by the Authority and held on behalf of, or in trust for, the GNWT are not recognized by the Authority in the financial statements.

The statement of operations reflects the amount that would otherwise be considered amortization expense for the fiscal year as rent expense with an offsetting corresponding amount as a grant in-kind revenue.

2. Significant Accounting Policies (Continued)

f) Revenue Recognition

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.

GNWT - 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.

2. Significant Accounting Policies (Continued)

Local Tax Revenue:

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 Authority and is responsible for the collection of taxes.

Other Contributions:

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

Revenue from rentals is earned as the facilities are used. Other revenue is recorded as the service is provided and receipt is reasonably assured.

Deferred Revenue:

Deferred revenue consists of funds received in advance of providing the services or acquiring the goods. These amounts are taken into revenue when the eligible expenditures are incurred.

Investment Income:

Investment income is recognized when received or receivable, if the amount can be reasonable estimated.

2. Significant Accounting Policies (Continued)

School Funds

Schools in the system administer funds which arise from certain school and student activities. Such funds, although subject to internal review, are not recorded in the accounts or in the financial statements of the Authority as they do not constitute any part of the approved Operating fund surplus (deficit) budget and are available for use at the discretion of each individual school.

g) Infrastructure Funding

Any personnel, utilities, and leases infrastructure funding net surplus at the end of the fiscal year is recorded as a payable to the GNWT. Net deficits are not shown as receivable from the GNWT since these amounts are not repayable.

h) Budget Data

The *Education Act* of the Northwest Territories requires that Boards of Education prepare an annual budget, as outlined in Section 128 and 129.

The final priorities and funding allocations are determined by the Board of Trustees at a special meeting called for the purposes of reviewing budget proposals, recommending changes, additions or deletions and adopting the proposed budget.

The budget is legally adopted by a motion of the Board which also establishes a tax levy to support the approved budget in accordance with Section 135(3) of the *Education Act.*

Board approved budgets are submitted to the Minister of Education, Culture and Employment for final approval as directed by Sections 117(2)k, l and m of the *Education Act.*

This annual budget includes estimates of revenue and expenditures for the Operating fund surplus (deficit) along with estimates of source and application for the Investment in tangible capital assets fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Board.

The budget may be amended within a given fiscal year in accordance with Board policy, regulations and approved budget procedures. The budget data presented in the financial statements reflects the amended budget for the fiscal year, and therefore, includes any amendments that may have been made during the year. Schools carry forward surplus or deficit amounts from their school budgets.

2. Significant Accounting Policies (Continued)

i) Measurement Uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards 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 amounts of revenue and expenses during the period. Actual results could differ from these estimates.

j) Inventories Including Materials and Supplies

Supplies inventory held for consumption or use are recorded at the lower of historical cost and replacement cost.

k) Payroll Liabilities

Payroll costs for teachers are accrued for July and August.

l) Post-employment benefits, compensated absences and termination benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Annual leave is payable within one fiscal year. Employees also earn retirement and severance remuneration based on number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Payment of the removal and termination is dependent on employees leaving the Authority and other criteria as outlined in the negotiated employment collective agreements or their excluded contracts.

m) Special Purpose Funds

School activity funds which are fully controlled by the Authority with respect to when and how the funds available can be disbursed are included in the Special Purpose Funds line item. The funds reported are internally restricted as to purpose and may include the proceeds of fundraising, contributions or fees paid related to a specific planned benefit. Examples might include planned student trips or funds specifically designated for the purchase of equipment or materials required to support an activity.

Student activity funds which are controlled by students or parties other than the Authority are not included even if custody of the funds is held by the Authority. Examples of excluded funds might be student clubs or associations for which the Authority has no ongoing responsibility of liability for losses.

2. Significant Accounting Policies (Continued)

n) 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 LED Lights Reserve is unspent utility funding from ECE set aside by the Authority for conversion to energy efficient lighting in schools.

3. Future Accounting Changes

Related Party Transactions: Inter-entity Transfer Valuations, Section PS 2200

PSAB approved Section PS 2200, Related Party Disclosures. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines related parties and establishes disclosures required for related party transactions. It is expected that reasonable efforts would be made to identify related party transactions. This may involve adopting policies and procedures designed to ensure that these transactions are appropriately identified, measured and disclosed in the financial statements. Not all related party relationships or transactions occurring between related parties are required to be disclosed. Disclosure is generally required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated. However, not all of these transactions are reportable under this Section. Only those transactions that have or could have a material financial effect on the financial statements are disclosed.

The impact of the transition to this accounting standard has not yet been determined.

2. Future Accounting Changes (Continued)

PSAB approved Section PS 3210, Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section provides guidance on how to apply the definition of assets as set out in Section PS 1000, and establishes standards for disclosure of assets except certain specific types of assets, which are dealt with in other Sections.

The impact of the transition to this accounting standard has not yet been determined.

Contractual Rights, Section PS 3380

PSAB approved Section PS 3380, Contractual Rights. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future except certain specific types of contractual rights.

The impact of the transition to this accounting standard has not yet been determined.

Inter-entity Transactions, Sections PS 3420

PSAB approved Section PS 3420, Inter-entity Transactions. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This section may be applied in conjunction with Related Party Disclosures, Section PS 2200.

The impact of the transition to this accounting standard has not yet been determined.

Student Activity Funds

Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to be reported on the consolidated financial statements of Yellowknife Education District No. 1 in the future.

4. Cash (Bank Indebtedness)

	2017	2016
	$	$
Cash	2,134,439	668,843

The cash is held in a bank account with RBC and is invested with the GNWT's investment pool.

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

	2017 $	2016 $
GIC Investment with CIBC (interest rate range from 1.2% to 1.75% and maturity range from April 23, 2018 to November 19, 2019)	**3,010,704**	3,169,590
GIC Investment with RBC Dominion Securities (interest rate range from 1.45% to 1.85% and maturity range from November 5, 2017 to November 19, 2018)	**2,021,108**	2,024,072
	5,031,812	5,193,662

The investments are recorded at amortized cost, which includes the cost plus any interest earned to June 30, 2017.

8. Accounts Receivable

	2017 $Net	2016 $Net
Aurora College	**2,534**	5,184
South Slave DEC	**1,576**	-
N'Dilo District Education Authority (Kalemi Dene School)	**595,701**	1,140,715
Dettah District Education Authority (Kaw Tay Whee School)	**139,594**	211,268
Commission Scolaire Francophone Territories Du Nord Ouest	**31,695**	16,250
Department of Education, Culture and Employment	**47,720**	10,105
Yellowknife Catholic Schools	**1,070**	1,070
Trade Receivables	**103,320**	184,720
Total	**923,210**	1,569,312

Allowance for doubtful accounts at June 30, 2017 is $nil, (2016 $nil).

9. Inventories

Inventory consists of computer equipment held for use for the next school year.

10. Accounts Payable and Accrued Liabilities

	2017 $	2016 $
Aurora College	-	1,050
Accrued interest	24	17
Damage deposits	23,687	25,602
Due to GNWT	389	-
Trade payable	487,228	265,865
	511,328	292,534

11. Deferred Revenue

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

	2017 $	2016 $
GNWT HSS - Drop the Pop	-	3,000
GNWT MACA - Take a Kid Trapping	-	8,000
GNWT MACA - Youth Corps	20,000	15,000
	20,000	26,000

12. Contribution Repayable

The Authority does not have any contribution repayable.

13. Due from the Government of Canada

Receivables	2017 $	2016 $
GST Receivable	**166,457**	89,104

14. Capital Lease Obligations

The Authority does not have any Capital Lease Obligations.

15. Pension

The Authority makes contributions to the Northern Employee Benefits (NEBS) Pension Plan, which is a multi-employer plan, on behalf of some members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to the NEBS pension was $2,696,768. The contributions are calculated at a rate of 8% of earning and allowances employee and employer contribution for a total of 16%. The maximum pensionable earnings is $165,077 for January 2017, and $163,715 for January 2016 The maximum monthly contributions is $2,914 for January 2017, and $2,182 for January 2016.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 2,600 Employee Members and 99 Employer Members (total active, disabled and on leave 1542).

As of January 1, 2017, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $18,500,000 - funded ratio 111% (2016 - $12,500,000 and 109%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $102,495,300 and a solvency ratio of 64%. Solvency is calculated for the purposes of determining obligations only in the event of a plan wrap up. Any potential deficiency in termination payments is guaranteed to be paid over the next 10 years or less, depending on the position of the fund. For the period ending December 31, 2016, the NEBS Pension plan had an accumulated surplus of $25,121,532.

As of April 2004, the OSFI has exempted NEBS from compliance with the Pension Benefits Standards Act (PBSA). On April 2015, the Legislative Assembly passed The Northern Employee Benefits Act (Bill 12) which was enacted October 1, 2015. NEBS is now operating under Bill 12.

16. Long-Term Debt

The Authority does not have long-term debt.

17. Other Employee Future Benefits and Compensated Absences

In addition to the pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Authority's employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits for all staff are accrued as employee render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2018. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2017 and the results extrapolated to June 30, 2017. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Authority.

17. Other Employee Future Benefits and Compensated Absences (Continued)

Changes in Obligation	Severance and Removal $	Compensated Absences $	2017 $	2016 $
Accrued benefit obligation beginning of year	1,309,963	336,029	1,645,992	145,408
Current period benefit cost	92,873	27,843	120,716	285,031
Interest accrued	37,235	10,448	47,683	58,302
Benefits payments	(88,349)	(73,140)	(161,489)	(122,749)
Actuarial (gain)/loss	(69,586)	93,770	24,184	-
Plan amendments	-	52,520	52,520	-
Accrued benefit obligation end of year	**1,282,136**	**447,470**	**1,729,606**	365,992
Unamortized net actuarial loss/(gain)	69,586	(93,770)	(24,184)	-
Total employee future benefits and compensated absences	**1,351,722**	**353,700**	**1,705,422**	365,992
Benefits Expense				
Current period benefit cost	92,873	27,843	120,716	285,031
Interest accrued	37,235	10,448	47,683	58,302
Plan amendments	-	52,520	52,520	-
Total benefits expense	**130,108**	**90,811**	**220,919**	343,333

17. Other Employee Future Benefits and Compensated Absences (Continued)

The discount rate used in the 2017 fiscal year to determine the accrued benefit obligation was an average of 3.3% (2016 - 3.2%). The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
	$	$	$
2018	568,871	83,728	**652,599**
2019	128,667	52,462	**181,129**
2020	113,997	51,588	**165,585**
2021	107,149	49,977	**157,126**
2022	111,258	52,973	**164,231**
2023-2027	501,219	262,198	**763,417**
Total	**1,531,161**	**552,926**	**2,084,087**

18. Trust Assets Under Administration

The Authority does not have any trust assets under administration.

19. Tangible Capital Assets

	Cost $	Accumulated Amortization $	**2017 Net Book Value $**	2016 Net Book Value $
Land and improvements	1,299,476	-	**1,299,476**	1,299,476
School buildings				
Ecole Sir John Franklin	2,253,436	(1,071,515)	1,181,920	1,246,194
William McDonald	7,078,328	(6,193,537)	884,791	1,061,749
Mildred Hall	11,009,651	(6,026,674)	4,982,978	5,258,219
Range Lake North	8,215,859	(4,929,515)	3,286,344	3,491,740
N. J. Macpherson	5,329,162	(3,952,833)	1,376,329	1,512,788
Ecole J. H. Sissons	2,436,769	(2,436,769)	-	-
	36,323,205	(24,610,843)	**11,712,362**	12,570,690
Other buildings				
Administration office	1,070,827	(642,496)	428,331	455,102
Nordic Arms residence	595,205	(595,205)	-	-
Total land and buildings	39,288,713	(25,848,544)	**13,440,169**	14,325,268
Equipment and furnishings				
Schools	4,427,048	(4,359,654)	67,394	159,891
Playgrounds	149,972	(149,972)	-	-
Residences	64,045	(64,045)	-	-
Administration office	322,132	(322,132)	-	-
Vehicles	246,532	(215,656)	30,875	36,021
	5,209,729	(5,111,459)	**98,269**	195,912
	44,498,442	(30,960,003)	**13,538,438**	14,521,180

20. Prepaid Expenses

	2017 $	2016 $
Insurance	29,324	27,813
Professional Development	2,667	27,341
Materials and Supplies	23,329	8,382
Licenses	-	12,965
Workers' Safety Compensation Commission	78,220	71,213
	133,540	147,714

21. Accumulated Surplus/ Deficit

A consolidated statements of funds and surplus and reserves have been prepared as follows:

Details of Funds

For the year ended June 30,	2017 $	2016 $
OPERATING FUND		
Balance, beginning of year	**729,783**	1,352,510
Operating deficit (Statement 2)	**(944,300)**	(1,422,789)
Transfer (to) from Investment in Tangible Capital Assets	**982,742**	1,024,113
Transfer (to) from Decentralized Surplus	**(116,236)**	112,399
Transfer to LED reserve	**(215,376)**	(336,450)
Transfer from LED reserve for lighting upgrades	**129,789**	-
Balance, end of year	**566,402**	729,783
INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Balance, beginning of year	**14,521,180**	15,545,293
Amortization	**(982,742)**	(1,024,113)
Balance, end of year	**13,538,438**	14,521,180

21. Accumulated Surplus/ Deficit (Continued)

Details of Surplus and Reserves

For the year ended June 30,	2017 $	2016 $
DECENTRALIZED SURPLUS		
Balance, beginning of year	**130,049**	242,448
Transfer (to) from Operating Fund	**116,236**	(112,399)
Balance, end of year	**246,285**	130,049
CAPITAL FUND RESERVE		
Balance, beginning of year	**904,165**	904,165
Balance, end of year	**904,165**	904,165
LED Reserve		
Balance, beginning of year	**336,450**	-
Transfer from Operating Fund	**215,376**	336,450
Transfer to Operating Fund for lighting upgrades	**(129,789)**	-
Balance, end of year	**422,037**	336,450

22. Capital Advances

The Authority does not have any Capital Advances.

23. GNWT Assets Provided at no Cost

The following assets were provided to the Authority by the GNWT at no cost.

	Cost $	Accumulated Amortization $	**2017 Net Book Value $**	2016 Net Book Value $
Ecole Sir John Franklin	25,965,232	25,965,232	-	1,414,616
Ecole Sir John Franklin portable classrooms	419,724	306,957	112,767	123,257
N.J. Macpherson	1,413,831	344,404	1,069,427	1,104,780
	27,798,787	26,616,593	**1,182,194**	2,642,653
Deferred capital contributions				
Ecole Sir John Franklin	(1,442,500)	(1,442,500)	-	(99,172)
	26,356,287	25,174,093	**1,182,194**	2,543,481

Rent expense of $1,361,287 (2016 - $1,799,767) was offset by a grant in-kind.

24. Contractual Obligations (Commitments)

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 2018.

The Authority leases space from Route 51. The contract expires in June 2018.

The Authority has a collective bargaining agreement with the NWT Teachers Association for teachers, specialists and education assistance which expired August 31, 2020.

The Authority has a collective bargaining agreement with the United Steelworkers for support staff which expired on June 30, 2017. The Authority will commence negotiations with the United Steelworkers union in the fall of 2017.

The Authority has a Ricoh photocopy equipment lease with annual payments of $30,037 plus maintenance expiring in July 1, 2021.

The Authority also leases from Lenovo computers with 2017/2018 lease payments of $49,505. The last lease expires April 1, 2020.

	Expires in Fiscal Year	2018 $	2019 - 2021 $	Total $
Commitments:				
Commercial and Residential Leases	2018	37,800	-	37,800
Equipment Leases	2021	79,543	105,402	184,945
Operational Leases (Bussing)	2018	440,000	-	440,000
Total		557,343	105,402	**662,745**

25. Contingencies

The Authority does not have contingencies.

26. Related Parties

Transactions with Related Parties and balances at year-end not disclosed elsewhere in the financial statements are disclosed in this note.

	2017 $Net	2016 $Net
Due to Related Parties:		
Accounts Payable:		
Dettah District Education Authority	-	1,000
Aurora College	-	1,050
Government of the NWT	**389**	-
Total Due to Related Parties	**389**	2,050
Due from Related Parties:		
Accounts Receivable:		
Aurora College	**2,534**	-
N'Dilo District Education Authority	**595,701**	1,140,715
Dettah District Education Authority	**139,594**	211,268
Commission Scolaire Francophone Territories Du Nord Ouest	**31,695**	16,250
Department of Education, Culture and Employment	**47,720**	10,105
Department of Health and Social Services	-	8,741
South Slave DEC	**1,576**	-
Yellowknife Catholic Schools	-	1,070
Total Due from Related Parties	**818,820**	1,388,149

26. Related Parties (Continued)

	2017 $Net	2016 $Net
Revenues from Related Parties:		
Government of the Northwest Territories:		
Department of Education Culture & Employment	**26,575,348**	26,040,046
Department of Health & Social Services	**22,233**	17,960
Department of Municipal and Community Affairs	**111,800**	100,800
Department of Environment and Natural Resources	**21,500**	-
Commission Scolaire Francophone Territories Du Nord Ouest	**31,356**	16,251
Yellowknives Dene First Nation (Kalemi Dene School)	**30,000**	27,500
Dettah District Education Authority	**77,590**	43,490
South Slave DEC	**30,000**	-
Total Revenues from Related Parties	**26,899,827**	26,246,047
Expenses Paid to Related Parties:		
Government of the Northwest Territories:		
Department of Finance	**452,956**	526,318
Department of Infrastructure	**5,254**	5,254
Department of Industry, Tourism and Investment	**6,718**	1,645
Department of Health and Social Services	**1,750**	-
Department of Justice	-	100
Stanton Territorial Health Authority	**3,227**	-
Yellowknife Catholic Schools	**2,320**	600
Aurora College	-	1,050
Total Expenses paid to Related Parties	**472,225**	534,967

27. Budget Data

The *Education Act* of the Northwest Territories requires that Education Bodies 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 Education Body which includes the establishment of 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 Trustees of the Authority on June 14, 2016 and submitted to the Minister of Education, Culture and Employment and have not been audited. The Budget was amended and submitted to the minister on September 23, 2016, the original budget deficit is $234,433 and the amended deficit is $381,085. At the request of the Department of Education, Culture and Employment, the original budget figures are presented.

28. Economic Dependence

The Authority is economically dependent on the Government of the Northwest Territories to provide funding for continued operations. If the funding arrangements were to change management is of the opinion that the Authority's operations would be significantly affected.

29. Financial Instruments

Financial instruments consist of recorded amounts of cash, portfolio investments, due from GNWT, due from Government of Canada and other accounts receivable which will result in future cash receipts, as well as accounts payable and accrued liabilities, and wages and employee deductions payable 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, recipients of services and preschool clients. The Authority has a concentrated risk of credit from two other school districts whose funding also comes from the Department of Education, Culture, and Employment. At June 30, 2017, receivables from two organizations comprised approximately 87% (2016 - 92%) of the total outstanding receivables. Furthermore there is a concentration risk in cash and portfolio investments the full balance in these accounts is held at two financial institutions. The Authority is funded by Government of Northwest Territories - Department of Education, Culture, and Employment and other stable organizations, which reduces its exposure to credit risk. Most of the credit risk exposure is with trade receivables, Dettah District Education Authority, and the N'Dilo District Education Authority. The authority reduces its risk exposure by following up on old account receivables for collection and entering into service agreement with well-established organizations. As at June 30, 2017, 22% (2016 - 48%) of other account receivable was non-current which represents $189,323 (2016 - $1,474,773) of the total balance. All of these were deemed collectable, and as a result, none are impaired.

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 on cash and portfolio investments. Fixed interest instruments subject the Authority to a fair value risk while the floating rate instruments subject it to cash flow risk (see note 7). The Authority complies with the GNWT financial administration policies and guidelines which reduces its exposure to interest rate risk. Because portfolio investments can be converted into cash on a short notice, the Authority's exposure to market risk is reduced.

29. Financial Instruments (Continued)

c) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise. Some of the Authority's financial assets and most of the financial liabilities at June 30, 2017 mature within the next six months. Total financial assets $8,255,918 (2016 - $7,520,921) of which $4,181,714 (2016 - $3,055,043) are not expected to mature within one year. Total financial liabilities are $6,250,849 (2016 - $5,569,053). The authority has disclosed future financial liabilities and commitments in Note 24.

30. Expenditures By Object

	2017 Budget	**2017 Actual**	2016 Actual
	$	**$**	$
Amortization	-	982,742	1,024,113
Compensation	27,845,570	27,540,674	27,181,716
Other	5,977,343	6,436,796	6,326,189
	33,822,913	**34,960,212**	34,532,018

31. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2017 and the date the audit report was signed.

32. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

33. Liability for Contaminated Sites

The Authority has identified possible environmental liabilities at William MacDonald School and Range Lake North School that have underground fuel tanks. The Department of Education, Culture and Employment, and the Department of Infrastructure is working towards replacing the underground fuel tanks.

The Authority has contracted Associated Environmental to complete a Hazardous Building Materials Assessment on all of the Buildings owned and managed by the Authority. The final reports are expected to be completed by the end of September 2017 and a management plan is expected to be put in place by January 2018. Liabilities discovered as a result of the assessment will be communicated to the Department of Education, Culture, and employment. There is uncertainty as to the amounts of these potential liabilities.

Financial Report

Tlicho Community Services Agency
Behchoko, NT

For the year ended March 31, 2018

Tlicho Community Services Agency

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Tłı̨chǫ Community Services Agency

Management Discussion Analysis
March 31, 2018

The Tlicho Community Services Agency (TCSA) is a unique organization in the Northwest Territories. It is a Government of the Northwest Territories Agency, while incorporating the values and principles of the Tlicho people.

Our mission statement "Strong Like Two People" was developed to ensure that the TCSA is committed to the development of a continuum of care that will return control of education, health and social programs and services to the people of our communities, support them in the task of strengthening their families, promote the knowledge and skills they need to survive today and model the values they need to live in harmony with their families, our communities and our land.

The Agency is also unique in that it is the only agency in the Northwest Territories to deliver both the health and social services programs along in conjunction with the education programs. All the other regions have separate Agencies for the delivery of health and education programs. The advantage of the TCSA model is that we are able to more effectively link the delivery of the programs.

The TCSA serves a population of approximately three thousand people (3,000) in the communities of Behchoko, Whati, Gameti and Wekweeti. The TCSA delivers its programs through five schools, four health centres in the region and Long Term Care Facility located in Behchoko.

The Agency had an annual budget in fiscal 2017-2018 of $35.836 million, a dedicated workforce of approximately 240 employees with a total payroll budget of $27.767 million, which represents 77.5% of the Agency's total annual budget.

For the 2017-2018 fiscal year, the TCSA Health and Social Services Activities incurred an operating deficit of $476,044, representing an improvement of 46.5% in comparison with the prior year's operating deficit (2016-2017: $889,081). Thereby the TSCA Health and Social Services Activities have arrived at an accumulated operating deficit of $2.802 million by the end of the 2017-2018 fiscal year. The reduction in deficit in the current year is a result of increased focus on managing expenditures, a favorable pension adjustment as well as the fact that JESH hires were not all in place at the beginning of the year.

The operating deficit in health for 2017-2018 can be attributed to a number of factors:

(1) The Agency remains underfunded for the delivery of Child and Family Services. Spending for Foster care exceeded the budgeted amount by $137,805. This spending was required due to the number of children in care.

(2) The costs to operate the health centres in our three main communities has slightly decreased compared to the prior year's costs, but still exceeded the current year's budgeted amount by $594,927. Overtime / standby costs continue to run over budgeted amounts. The overtime would normally be expected as services are required to be delivered outside of the regular business hours. The Agency has been running the Health Centers with a reduced number of employees to partially offset these costs.

(3) The ongoing costs to operate our Ambulance Services continue to run over budget and the operating deficit has increased to $246,884 (2016-2017: $203,673).

For its 2017-2018 Education activities the TCSA incurred an annual surplus of $1,022,114. As a result of this the TCSA Education activities now have a closing surplus of $894,317.

While these financial statements include expenses for education from April to March, an additional set of financial statements is prepared annually for Education which runs for the school year of July 1 to June 30, and we will report to the department of Education our complete results at that time. Alternatively, in these statements we expect the operating surplus to be of a smaller magnitude for the 2017-2018 school year.

Summary and Outlook

- The fiscal outlook for the TCSA remains challenging and this is in large part caused by two items:
  - The GNWT funds positions at a pay step 4 to take turnover into account. At the TCSA however, turnover is very low. As a result of this many employees are paid at a pay step level 8 which results in the funding for regular payroll being insufficient to cover the actual payroll cost.
  - Overtime, standby and callback pay are not specifically funded by the GNWT. The majority of these expenses are unavoidable however. The TCSA is able to offset part of these costs by keeping vacancies. Increasing the vacancy rate would be difficult as it would adversely affect the service standards required.

- The department of Health recognizes the above issues and for 2018-2019 the TCSA revised its budget prior to seeking approval by the Minister.

- For 2018-2019 the TCSA has received funding for five positions to provide counselling services to students at our schools. The three current employees providing similar services will be integrated into this program.

- Also, in 2018-2019 the TCSA will continue with developing virtual classroom and remote education project.

Chief Executive Officer

June 29, 2018

Tłı̨chǫ Community Services Agency

Management Responsibility Letter

To the Ministers' of Health and Social Services and Education, Culture and Employment

Management Responsibility for Financial Reporting for the year ended March 31, 2018

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. The provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriated accountability for performance within well-defined areas of responsibility. The operations and administration of Tlicho Community Services Agency have been conducted with the statutory powers of the Health Authority and Divisional Education Council. The operations and administration of the Health and Education as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Health Authority Board and Divisional Education Council. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts Avery Cooper & Co Ltd. has been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management and employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards with its jurisdiction.

The Auditors annually provide an independent, objective audit for the purpose of expressing an opinion of the financial statements in accordance with generally accepted auditing standards. The auditor also considers whether the transactions that 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 Health and Social Services and Department of Education, Culture and Employment, Government of the Northwest Territories.

Approved and confirmed on behalf of the Tlicho Community Services Agency

Rose Jiang, Director of Finance and Corporate Services
Tlicho Community Services Agency
June 29, 2018

AVERY COOPER & CO. LTD.
Chartered Professional Accountants

4918 - 50th Street, P.O. Box 1620
Yellowknife, NT X1A 2P2
Website: www.averycooper.com

Telephone: (867) 873-3441
Facsimile: (867) 873-2353
Toll-Free: 1-800-661-0787

INDEPENDENT AUDITORS' REPORT

To the Ministers of Health and Social Services and Education, Culture and Employment Government of the Northwest Territories

Report on the Financial Statements
We have audited the accompanying financial statements of the Tlicho Community Services Agency, which comprise the Statement of Financial Position as at March 31, 2018, and the Statements of Operations, Changes in Net Financial Resources and Cash Flow for the year then ended. We have also audited the revenue and expenditures of programs funded through contribution agreements by the Departments of Health and Social Services which total $250,000 or more as listed in Schedule A.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation 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 auditors' 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 entity'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 of the effectiveness of the entity'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 qualified audit opinion.

Basis for Qualified Opinion
The GNWT is responsible for the calculation and distribution of the salaries and wages that appear on the statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the Agency's records.

Qualified Opinion
In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2018 and the results of operations, net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards. Furthermore, these statements present fairly in all material respects, the funding and expenditures of all Health and Social Services funded programs which total $250,000 or more in Schedule A for the year ended March 31, 2018 in accordance with the provisions established by the individual contribution agreements.

Report on Other Legal and Regulatory Requirements

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

Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Chartered Professional Accountants
Yellowknife, NT

June 29, 2018

Tlicho Community Services Agency
Statement of Financial Position
As at March 31, 2018

	March 31, 2018	March 31, 2017
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 2,232,820	741,794.66
Accounts Receivable (Note 8)	968,855	604,393
	3,201,674	**1,346,188**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	776,131	694,991
Wages and Benefits Payable - GNWT (Note 10)	2,775,699	1,481,023
Employee Future Benefits (Note 16)	1,156,250	1,557,142
Deferred Revenue (Note 11)	417,282	172,978
	5,125,363	3,906,134
Net Financial Assets (Debt)	**(1,923,688)**	**(2,559,946)**
Non Financial Assets		
Inventory held for use (Note 9)	63,500	56,864
Tangible Capital Assets (Note 18)	72,315	120,852
	135,815	177,716
Accumulated Surplus (Deficit)- per page 8	**$ (1,787,873)**	**$ (2,382,230)**

Chief Executive Officer

Chairman of the Board

Tlicho Community Services Agency
Consolidated Operations
Statement of Operations
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Revenue			
Health & Social Services - per page 5	$ 16,675,200	$ 17,082,384	$ 16,031,647
Education - per page 6	17,703,688	18,037,159	17,419,754
Other Operations - per page 7	300,000	318,311	250,089
	34,678,888	**35,437,854**	**33,701,490**
Expenditure			
Health & Social Services - Compensation	12,392,604	13,469,095	12,771,413
Health & Social Services - Other	4,666,021	4,089,332	4,149,315
Total Health and Social Services - per page 5	**17,058,625**	**17,558,428**	**16,920,727**
Education - Compensation	15,374,585	14,155,095	15,119,663
Education - Other	3,102,715	2,859,950	3,140,796
Total Education - per page 6	**18,477,300**	**17,015,045**	**18,260,459**
Other Operations - Compensation	-	-	-
Other Operations - Other	300,000	270,024	230,596
Total Other Operations - per page 7	**300,000**	**270,024**	**230,596**
	35,835,925	**34,843,497**	**35,411,782**
Operating Surplus / (Deficit)	**$ (1,157,037)**	**$ 594,357**	**$ (1,710,292)**
Rent Expense - GNWT Assets provided at no cost (note 21)		542,794	275,357
Grant-In-Kind - GNWT Assets Provided at no cost (note 21)		(542,794)	(275,357)
Annual Surplus / (Deficit)	**$ (1,157,037)**	**$ 594,357**	**$ (1,710,292)**

Tlicho Community Services Agency
Health and Social Services
Statement of Operations
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from GNWT (Schedule A)	$ 16,127,000	$ 16,260,433	$ 15,314,760
Interest Income	30,000	33,272	24,168
Other Income	140,000	303,480	163,495
Recoveries	378,200	485,198	529,223
	16,675,200	**17,082,384**	**16,031,647**
Expenses			
Administrative and Support Services	1,418,626	1,136,841	1,324,880
Ambulatory Care Services	764,472	980,859	1,010,602
Community Health Programs	6,947,655	7,351,485	7,537,395
Community Social Programs	7,781,582	7,960,588	6,855,143
Diagnostic & Therapeutic Services	146,290	128,655	192,707
	17,058,625	**17,558,428**	**16,920,727**
Operating Surplus / (Deficit)	**$ (383,425)**	**$ (476,044)**	**$ (889,081)**
Rent Expense - GNWT Assets provided at no cost (note 21)		542,794	275,357
Grant-In-Kind - GNWT Assets Provided at no cost (note 21)		(542,794)	(275,357)
Annual Surplus / (Deficit)		**$ (476,044)**	**$ (889,081)**
Opening accumulated (deficit)		**$ (2,326,230)**	**$ (1,437,149)**
Closing accumulated (deficit)		**$ (2,802,275)**	**$ (2,326,230)**

Tlicho Community Services Agency
Education
Statement of Operations
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
OPERATING FUND - REVENUE			
Government of the Northwest Territories			
Regular Contribution from ECE	$ 17,373,688	17,246,577	$ 16,719,739
Other ECE Contribution (Schedule C.1)	60,000	64,943	60,000
	17,433,688	17,311,520	16,779,739
BOARD GENERATED FUNDS			
Other contributions and miscellaneous	-	140,483	54,645
Investment income	30,000	33,272	24,168
Projects Revenue (Schedule C.1)	240,000	551,885	561,201
	270,000	725,639	640,015
TOTAL OPERATING REVENUE	**17,703,688**	**18,037,159**	**17,419,754**
OPERATING FUND EXPENSES - per schedule			
School Programs	11,654,565	10,784,848	11,577,571
Inclusive Schooling	3,233,761	2,836,078	2,713,993
Operations and Maintenance	-	-	156,334
Administration	1,321,771	947,093	1,174,208
Aboriginal Language/Cultural Programs	1,967,203	1,830,398	1,985,425
Projects Expenditures (Schedule C.1)	300,000	616,628	652,928
TOTAL EXPENSE	**18,477,300**	**17,015,045**	**18,260,459**
EXCESS REVENUE	**$ (773,612)**	**$ 1,022,114**	**$ (840,705)**

Tlicho Community Services Agency
Other Operations
Statement of Operations
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Revenue			
Recoveries Housing	**$ 300,000**	**$ 318,311**	**$ 250,089**
Expenses			
General Administrative Expenditures	-	24,364	12,268
Leased Property - Housing	300,000	245,660	218,328
	300,000	**270,024**	**230,596**
Operating Surplus / (Deficit)	**$ -**	**$ 48,287**	**$ 19,494**

Tlicho Community Services Agency
Statement of Changes in Net Debt
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Annual Surplus (Deficit)	$ (1,157,037)	$ 594,357	$ (1,710,292)
Decrease/(Increase) in Inventories held for use		(6,636)	4,136
Decrease (Increase) in Prepaid Expenses		-	3,373
Amortization of tangible capital assets		48,537	48,537
Increase (Decrease) in Net Financial Resources	(1,157,037)	636,258	(1,654,246)
Opening Net Financial Resources	(2,559,946)	(2,559,946)	(905,700)
Closing Net Debt	**(3,716,983)**	**(1,923,688)**	**(2,559,946)**
Accumulated Surplus (Deficit)			
Health and Social Services			
Opening Surplus - Health and Social Services	(2,326,230)	(2,326,230)	(1,437,149)
Current years' surplus (deficit) per page 5	(383,425)	(476,044)	(889,081)
Closing Surplus (Deficit)	**(2,709,655)**	**(2,802,275)**	**(2,326,230)**
Education			
Opening Surplus - Education	(127,797)	(127,797)	712,908
Current years' (deficit) per page 6	(773,612)	1,022,114	(840,705)
Closing Surplus (Deficit)	**(901,409)**	**894,317**	**(127,797)**
General			
Opening Surplus - Other	71,792	71,792	52,298
Current years' surplus (deficit) per page 7	-	48,287	19,494
Closing surplus	**71,792**	**120,079**	**71,792**
Total Closing Accumulated Surplus (Deficit)	**$ (3,539,267)**	**$ (1,787,873)**	**$ (2,382,230)**

Tlicho Community Services Agency
Statement of Cash Flow
For the year ended March 31, 2018

	2018	2017
Cash Provided by (used in) Operating Transactions		
Annual Surplus /(Deficit)	$ 594,357	$ (1,710,292)
Items not affecting cash:		
Change in valuation allowances	-	-
Amortization	48,537	48,537
(Increase) Decrease in due to (from) the Government of Canada		
(Increase) Decrease in Accounts Receivable	(364,461)	(254,406)
Increase (Decrease) in Accounts Payable	81,140	35,048
Increase (Decrease) in Wages and Benefits Payable	1,294,676	474,074
Increase (Decrease) in Inventory held for use	(6,636)	4,136
Increase in Employee Future benefits	(400,892)	(279,302)
Increase (Decrease) in Deferred Revenue	244,305	(46,846)
Decrease (Increase) Prepaid Expenses	-	3,373
Net Cash Provided from Operating Transactions	**1,491,025**	**(1,725,677)**
Cash Provided by (used in) Investing Transactions		
Disposition (Acquisition) of Portfolio Invesetments	-	-
Net Cash Provided by Investing Transactions	-	-
Cash Provided by (used in) Financing Transactions		
Net Proceeds from (Repayment) of Capital Lease Obligations	-	-
Net Cash Provided by Financing Transactions	-	-
Increase (Decrease) in Cash and Cash Equivalents	**1,491,025**	**(1,725,677)**
Cash and Cash Equivalents at Beginning of Year	**741,795**	**2,467,472**
Cash and Cash Equivalents at End of Year (Note 4)	**$ 2,232,820**	**$ 741,795**

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2018

1. NATURE OF ORGANIZATION

The Agency was established under the Tlicho Government Act by order of the Minister dated August 4, 2005. Its purpose is to administer and maintain the standards of Health and Educational programs defined under the respective Acts in the Member communities of the Tlicho Region.

The Agency was formerly known as the Dogrib Community Services Board and the Dogrib Divisional Board of Education. On May 22, 1997, an agreement was signed between the Dogrib Community Services Board and the Government of the Northwest Territories, Department of Health and Social Services, with the support of the Treaty 11 Council, to deliver Health and Social Service programs in the Dogrib region. The Tlicho Community Services Agency (TCSA) is an integrated Education and Health & Social Services Agency.

The Agency is dependent upon funding from the Government of the Northwest Territories and is a registered charity.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Canadian Public Sector Accounting Board of the Chartered Professional Accountants of Canada and by the directives of the Government of the Northwest Territories - Department of Health and Social Services ("DHSS") and Department of Education, Culture and Employment ("ECE"). Significant accounting policies are as follows.

a) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash and with a maturity date of 90 days or less from the date of acquisition.

b) Funds

The Agency records financial information in individual funds that are segregated for the purpose of carrying on specific activities or attaining certain objectives. Funds established by the Agency are:

Operating Fund- reflecting activities associated with the Agency's day-to-day operations.

Leave and Termination Liability Fund - reflecting activities in employee leave and termination benefits combined with any amounts transferred from operations to fund these liabilities. This fund represents liabilities which will be funded in the year they become due through the regular annual allocations from the Government of the Northwest Territories ("GNWT").

Endowment and Special Purpose Fund - reflecting activities relating to endowments and other special purpose funds made available to the Agency under conditions specified by donors and other providers.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c) Surplus Reserves

The DHSS policy requires the Agency to establish the following reserves:
Surplus Reserve- reflects funds maintained in a reserve according to the DHSS Operations and Maintenance Surplus Retention Policy.
Employee Future Benefit Reserve- the funds received in advance for the severance liability of employees who were transferred to the Agency from the GNWT. These liabilities are reduced as employees are paid out upon termination of employment with the agency.

d) Tangible Capital Assets

The GNWT retains ownership of all tangible assets (TCA) used by the Agency or purchased by the Agency (regardless of source of funding for the purchase). The GNWT amortizes TCAs over the estimated useful lives of the assets at the rates established in the Financial Administration Manual over the following terms:

Buildings	40 years
Mainframe and software systems	5-10 years
Leasehold Improvements	Lesser of useful life or lease term plus renewal option

The TCAs used by the Agency and held on behalf of, or in trust for, the GNWT are not recognized by the Agency in the financial statements.

The statement of operations reflects the Rent Expense amount that would otherwise be considered amortization expense for the fiscal year with an offsetting corresponding amount as a Grant-In-Kind revenue.

e) Inventory of Supplies

Inventories of supplies include inventories held for use in the process of providing services and are distributed to clients at no charge or for a nominal charge. Inventories consist of pharmacy items, parts for various equipment, and office supplies. Inventories of supplies are valued at the lower of cost and replacement value.

f) Accrued Employee Leave and Termination Benefits

In accordance with GNWT accounting policies specified for public agencies, the Agency annually accrues estimated employee leave and termination benefits payable

g) Pension Contributions

The Agency and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability to the Agency and are recognized in the accounts on a current basis.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

h) Revenue Recognition

The Agency is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS and ECE. Under the arrangements, the Agency is responsible for the net deficit from operations and is allowed to retain surpluses from core programs. Any capital funding not spent may be retained for future capital purchases. These policies do not apply to contribution agreements, where an accounting of and return of surpluses may be required.

Other revenue is recognized when the service is performed or the goods are provided.

Government transfers

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except for 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

i) Financial Instruments

The Agency classifies it financial instruments at cost or amortized cost.
The Agency's accounting policy for this financial instrument category is as follows:
This category includes cash, accounts receivable, accounts payable and accrued liabilities, payroll liabilities and deferred revenues. They are initially recorded at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instruments.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

j) Non-financial assets

Non-financial assets are accounted for as assets by the Agency because they can be used to provide government services in futures periods. These assets do not normally provide resources to discharge the liabilities of the Agency unless they are sold.

k) Measurement uncertainty

The preparation of these financial statements, in conformity with Canadian public sector accounting standards, requires management to make estimates and assumptions. This affects 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. Significant estimates include accounts receivable and doubtful accounts and the actuarial valuation of employee leave and termination benefits. Actual results could differ from these estimates.

3. FUTURE ACCOUNTING CHANGES

Nil Report

4. CASH AND CASH EQUIVALENTS

	2018	2017
Cash	$ 2,232,820	$ 741,795

5. SPECICAL PURPOSE FUNDS

Nil Report

6. RESTRICTED ASSETS

Nil Report

7. PORTFOLIO INVESTMENTS

Nil Report

8. ACCOUNTS RECEIVABLE

	Accounts Receivable 2018	Allow. For Doubtful Accounts 2018	Net 2018	Net 2017
Due from Third Parties	$ 406,507	$ -	$ 406,507	$ 205,246
Due from Government of the Northwest Territories	482,262	-	482,262	300,002
Workers' Safety and Compensation Commission	4,973	-	4,973	1,262
Northwest Territories Health and Social Services Authority	75,113	-	75,113	50,820
Due from MEZI School	-	-	-	18,166
Due from CJBS School	-	-	-	28,896
	$ 968,855	$ -	$ 968,855	604,393

9. INVENTORIES

	2018	2017
Inventory held for use		
Health Centre Supplies	$ 63,500	$ 56,864

10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Due to the Government of the Northwest Territories	$ 121,846	$ 66,588
Due to NWT Housing Corporation	11,550	5,628
Due to NWT Power Corporation	377	-
Due to Workers Safety and Compensation Commission	-	11,620
Due to Northwest Territories Health and Social Services Authority	6,684	14,152
Due to Hay River Health and Social Services Authority	-	1,750
Payable to Gameti School	-	63,621
Payable to Elizabeth Mackenzie Elementary School	-	27,307
Payable to Wekweti School	-	40,186
Due to Third Parties	635,674	464,139
	$ 776,131	694,991

	2018	2017
Payroll Liabilities		
Due to GNWT payroll liabilities	$ 2,131,032	$ 1,018,972
Accrued Vacation and Lieu	594,667	462,051
Employee Retroactive Pay	50,000	
Government of the Northwest Territories	$ 2,775,699	1,481,023

11. DEFERRED REVENUE

Deferred revenue consists of contributions received in advance for activities with dates beyond the fiscal year end. These amounts will be recognized in revenue as expenditures are incurred.

	2018	2017
CJBS - BHP Culture	$ -	$ 25,000
CJBS - Breakfast for Learning	9,984	1,691
CJBS - Breakfast for Learning- High School	-	8,628
CJBS - Dominion Diamond Ekati	15,993	-
CJBS - Food First Foundation	-	1,022
CJBS - Fundraising	21,422	-
CJBS - Miscellaneous	1,665	-
MEZI - BHP Culture	-	25,105
MEZI - Breakfast for Learning	-	1,240
MEZI - Dominion Diamond Ekati	50,105	-
MEZI - Food First Foundation	-	1,200
EMES - BHP Culture		19,074
EMES - Breakfast for Learning	3,871	10,011
EMES - Breakfast Club	5,000	-
EMES - Dominion Diamond Ekati	10,052	-
EMES - Health Food First	-	626
EMES - Literacy / Book fair	6,801	2,491
EMES - Miscellaneous	3,766	-
EMES - On the Land Collaborative	5,734	-
AAS - BHP Culture	-	38,281
AAS - Breakfast for Learning	2,206	3,253
AAS - Dominion Diamond Ekati	26,857	-
AAS - Food First Foundation	1,720	-
AAS - Literacy	2,395	-
AAS - Miscellaneous	12,002	13,213
JWGS - BHP Culture	-	18,728
JWGS - Breakfast Club	1,983	-
JWGS - Dominion Diamond Ekati	15,266	-
JWGS - Food First Foundation	2,227	-
JWGS - Fundraising	13,000	-
JWGS - Literacy	1,177	-
JWGS - Yoga Fitness	-	3,414
Regional - Dogrib Learning Materials	204,057	-
	$ 417,282	$ 172,978

12. CONTRIBUTIONS REPAYABLE

Nil Report

13. DUE FROM AND TO THE GOVERNMENT OF CANADA

Nil Report

14. CAPITAL LEASE OBLIGATIONS

Nil Report

15. PENSIONS

The TCSA's employees participate in Canada's Public Service Plan (PSPP). The PSPP provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in the legislation; they are not based on the financial status of the pension plan. The basic benefit formula is 2 percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings.

The public service plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to 65 for new members joining the plan on or after January 1, 2013. For existing members, the normal retirement age remains age 60. Furthermore, contribution rates or current service for all members of the public service will increase gradually to an employer: employee cost sharing ratio of 50:50 by 2017. The employer contribution rate effective at the end of the year is 1 times (2016 - 1.15) the employees' contributions for employees who started prior to January 2013 and 1 times (2016 - 1.1) the employees' contributions for all other employees

Other benefits include survivor pensions, minimum benefits in the event of death, unreduced by early retirement, pensions and disability pensions.

Contributions to the PSPP are broken down as follows.

	2018	2017
HSS activities		
Employee	$ 732,719	$ 1,094,824
Employer	767,918	996,708
	$ 1,500,637	$ 2,091,531
ECE activities		
Employee	$ 1,082,767	$ 1,590,574
Employer	1,079,521	1,563,100
	2,162,288	$ 3,153,674
	$ 3,662,925	$ 5,245,205

16. EMPLOYEE FUTURE BENEFITS

In addition to pension benefits, Tlicho Community Service Agency provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Tlichco Community Services Agency employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation result

The last actuarial valuation was dated March 31, 2018. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Agency.

Employee Long term Benefits consist of:

	ECE	HSS	2018	2017
Severance and Removal	$ 654,632	$ 225,355	$ 879,987	$ 1,226,203
Compensated Absences	191,452	84,811	276,263	330,939
	$ 846,084	$ 310,166	$ 1,156,250	$ 1,557,142

Net Change			
Change in Estimate Adj	$ -	$ -	$ -
Current period Benefit Cost	64,814	25,522	90,336
Actuarial (Gain) Loss	(292,953)	19,422	(273,531)
Benefits Payments	(91,561)	(172,233)	(263,794)
Interest accrued	33,595	12,500	46,095
	$ (286,105)	$ (114,789)	$ (400,894)

The primary actuarial assumptions include a discount rate of 3.8% to determine the accrued benefit obligation and salary scale of 2% per annum. The expected payments during the next five years are:

16. EMPLOYEE FUTURE BENEFITS (cont'd)

	Severance and Removal	Compensated Absences	Total
Year 1	$ 179,756	$ 54,195	$ 233,951
Year 2	117,049	41,395	158,444
Year 3	96,813	34,713	131,526
Year 4	97,583	33,375	130,958
Year 5	78,829	27,525	106,354
Next 5 Years	$ 380,642	$ 114,210	$ 494,852

17. TRUST LIABILITIES

Nil Report

18. TANGIBLE CAPITAL ASSETS

The agency has purchased buses and ambulances from operating funds provided by the Department of Health and Social Services and Education. These vehicles are being amortized over a straight line basis over 7 Years .

	Cost (unaudited)	Accumulated Amortization (unaudited)	Net book Value 2018 (unaudited)	Net book Value 2017 (unaudited)
2014 Ford XLT Ambulance	$ 166,443	(118,888)	47,555	71,333
School Buses	173,318	(148,558)	24,760	49,519
Total	$ 339,761	$ (267,446)	$ 72,315	$ 120,852

19. PREPAID EXPENSES

Nil Report

20. CAPITAL ADVANCE FROM THE GNWT

Nil Report

21. GNWT ASSETS PROVIDED AT NO COST

Tangible Capital Assets (TCA) are owned by the Government of the Northwest Territories. TCA are amortized over the estimated useful life of the assets at the following rates.

Buildings - 40 Years
Leasehold Improvements - Lesser of useful life or lease term plus renewal option
Mobile Equipment - 15 years

	Cost (unaudited)	Accumulated Amortization (unaudited)	Net book Value 2018 (unaudited)	Net book Value 2017 (unaudited)
Buildings	$ 18,434,478	$ (3,557,727)	$ 14,876,751	$ 15,203,162
Leasehold	252,800	(201,518)	$ 51,282	63,841
Mobile Equipment	325,112	(156,537)	$ 168,575	190,245
Other Equipment	338,467	(21,605)	$ 316,863	-
Total	$ 19,350,858	$ (3,937,387)	$ 15,413,470	$ 15,457,248

The TCA information was provided by the Government of the Northwest Territories.

Amortization expense 2017 - 2018 $542,794 (2016 - 2017 $275,357)

22. CONTRACTUAL OBLIGATIONS (aka Commitments)

The Agency has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2018.

	Expires in Fiscal Year	2019	2020 and thereafter	Total
Residential Leases	2022-2023	$ 265,200	$ 819,000	$ 1,084,200
Equipment Leases	2018-2023	65,386	131,589	196,976
Other Services Contracts	2023	19,583	77,118	96,701
		$ 350,169	$ 1,027,707	$ 1,377,877

23. CONTINGENT LIABILITIES

In the normal course of operations, the Agency is subject to claims and pending and threatened litigation against the Agency and its staff. The Agency is defending actions brought against it and the Agency has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. The allowance is based upon estimates determined by the Agency's legal experts experience or case law in similar circumstances.

The Agency did not have any environmental liabilities during the year.

24. PRIOR YEAR FUNDING

Nil Report

25. BUDGET

Budget figures are the opening budgets that were approved on June 30 2018 by the Agency's board of directors, DHSS and ECE. The budget figures are not audited and are intended for information purposes only. These figures represent the Agency's original fiscal plan for the year and do not reflect subsequent changes arising from amendments made by the Departments.

26. ECONOMIC DEPENDANCE

The Agency receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the Agency operations would be significantly affected

27. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

28. RELATED PARTIES AND INTER-ENTITY TRANSACTIONS

The Agency is related in terms of common ownership to all GNWT created departments and public agencies. The Agency enters into transactions with these entities in the normal course of business. The Agency is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, compensation services by the Department of Human Resources, and internal audit services by the Department of Finance.

Due from Related Parties	2018	2017
Government of the Northwest Territories		
Department of Finance	$ 5,097	$ -
Department of Health and Social Services	375,865	165,740
Department of Education, Culture and Employment	101,299	134,262
MEZI School	-	18,166
CJBS School	-	28,896
Northwest Territories Health and Social Services Authority	75,113	50,820
Workers' Safety and Compensation Commission	4,973	1,262
	$ 562,348	$ 399,147

28. RELATED PARTIES (Cont'd)

Due to Related Parties	2018	2017
Government of the Northwest Territories		
Department of Finance	$ 97,383	$ 31,962
Department oft of Human Resources	-	3,334
Department of Health and Social Services	20,578	29,556
Department of Education, Culture and Employment	2,250	-
Department of Infrastructure	149	198
Petroleum Products Division	1,486	1,538
Gameti School	-	63,621
Elizabeth MacKenzie Elementary School	-	40,186
Hay River Health and Social Services	-	1,750
Stanton Territorial Hospital Authority	-	11,748
Wekweti School	-	27,307
Workers'Safety and Compensation Commission	-	11,620
NWT Power Corporation	377	-
NWT Housing Association	11,550	5,628
Northwest Territories Health and Social Services Authority	6,684	2,404
	$ 140,457	$ 230,852
Department of Finance - Payroll Liabilities	2,775,699	1,481,023

Revenue received from Related Parties not otherwise disclosed in statements or schedules

North Territory Health & Social Services Authority	$ 97,395	$ 99,062
GNWT - Department of Health and Social Services - NHIB	275,975	327,675

Expenses paid to Related Parties

GNWT - Department of Finance	$ 83,840	$ 174,306
GNWT - Department of Health and Social Services	83,476	82,066
GNWT - Petroleum Products Division	9,615	10,549
GNWT - Department of Infrastructure	422	-
Workers' Safety and Compensation Commission	4,127	-
Northwest Territories Health and Social Services Authority	749,260	807,859
NWT Housing Corporation	$ -	$ 23,853

Related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

29. FINANCIAL INSTRUMENTS

The Agency is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the

(i) Credit risk

Credit risk is the risk of financial loss to the Agency if a debtor fails to make payments of interest and principal when due. The Agency is exposed to this risk relating to its, cash, special purpose funds, trust assets and accounts receivable.

The Agency holds its cash, special purpose funds and trust assets deposits in trust accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables.

These amounts are as disclosed in Note 8.

The Agency's maximum exposure to credit risk is represented by the financial assets for a total of $968,855 (2017 - $604,393).

Concentration of credit risk

Concentration of credit risk is the risk that a customer(s) has a significant portion (more than ten percent) of the total accounts receivable balance and thus there is a higher risk to the Agency in the event of a default. The Agency does have concentration of risk. At March 31, 2018, receivables from the GNWT and related parties accounted for 50% of the total outstanding accounts receivables. The Agency reduces this risk by monitoring overdue balances.

The Agency also has concentration of credit risk as deposits are held in one Canadian chartered bank.

Liquidity Risk

Liquidity risk is the risk that the Agency will not be able to meet all cash outflow obligations as they come due. The Agency mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise. Total financial assets are $3,201,674 (2017 - $1,346,188) and financial liabilities are $5,125,363 (2017 - $3,906,134). The agency has disclosed future financial liabilities and commitments in Note 22.

30. CONTINGENT ASSETS

Nil Report

31. CONTRACTUAL RIGHTS

At March 31, 2018, the Agency has entered into the following multi-year contribution agreements with the GNWT:

Project	Terms/Conditions
Enhanced Home Care	Apr 1 2014-Mar 31 2019

Future maximum contributions remaining under these agreements are as follows:

	Enhanced Home Care	Total
2019	375,835.00	375,835.00

32. EXPENSES BY OBJECT

		2018	2017
HEALTH			
	Compensation		
	Severance and Superannuation	$ (110,787)	$ (129,705)
	Salaries and Wages	12,807,917	12,112,057
	Other	771,965	789,060
		13,469,095	12,771,412
	Other O&M		
	Grants and contributions	1,186,284	1,139,723
	Valuation Allowances	-	-
	Medical and Surgical Supplies	337,824	356,175
	Amortization	23,778	23,778
	Contracted & General Services	1,852,428	1,993,561
	Other	689,019	636,079
		4,089,332	4,149,315
		$ 17,558,428	$ 16,920,727
EDUCATION			
	Compensation	$ 14,155,095	$ 15,119,663
	Other O&M	2,859,950	3,140,796
		$ 17,015,045	$ 18,260,459
OTHER			
	Compensation	$ -	$ -
	Other O&M	270,024	230,596
		$ 270,024	$ 230,596
OVERALL			
	Compensation	$ 27,624,191	$ 27,891,075
	Other O&M	7,219,307	7,520,707
		$ 34,843,497	$ 35,411,782

Tlicho Community Services Agency
Schedule A
Schedule of Contributions from the GNWT
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Contributions from the GNWT			
Core Contribution - Department of Health & Social Services			
Administration & Support Services			
Administration	$ 700,000	$ 700,000	$ 700,000
Facility Maintenance & Support	35,000	35,000	-
Finance	173,000	173,000	173,000
System Support	68,000	64,000	53,000
Community Health Programs			
Community Clinics & Health Centres	5,458,000	5,458,000	5,446,000
Health Promotion & Community Wellness	315,000	315,000	315,000
Homecare & Support Services	697,000	697,000	697,000
Physician Services	785,000	785,000	785,000
Mental Health & Addictions	973,000	973,000	973,000
Residential Care Children & Adults	3,421,000	3,421,000	2,636,000
Community Social Programs			
Child & Family Services	2,566,000	2,566,000	2,549,000
Family Violence Prevention	31,000	31,000	31,000
Diagnostic & Therapeutic Services			
Diagnostic Services	17,000	77,000	-
Supplementary Health Programs			
Medical Travel	458,000	458,000	458,000
	15,697,000	15,753,000	14,816,000
Other Contribution - Department of Health & Social Services			
Enhanced Home Care - Schedule A -1	430,000	460,335	437,961
Victims of Family Violence - Schedule A-2	-	27,741	30,107
Mental Health First Aid Training - Schedule A-3	-	9,982	12,715
Asist - Schedule - A-4	-	9,375	17,978
Total Contributions from the GNWT	**$ 16,127,000**	**$ 16,260,433**	**$ 15,314,760**

Tlicho Community Services Agency
Schedule A-1
Schedule of Detailed Contribution Funding and Expense
Home and Community Care Enhancement - (HSS01-0000002214)
Health & Social Services - GNWT
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - Department of Health & Social Services	$ 430,000	$ 230,168	$ 437,961
Contribution Receivable	-	230,168	-
	430,000	**460,335**	**437,961**
Expenses			
Salaries	397,379	388,014	397,899
Materials and Supplies	4,000	8,966	2,413
Gasoline	3,000	2,434	1,987
Food	8,000	25,431	6,000
Vehicle Maintenance	3,500	4,742	4,000
Medical and Surgical Supplies	4,000	6,000	4,000
Delivery and Courier	2,500	4,917	855
Telephone	1,000	2,845	1,080
Travel	8,000	7,065	11,141
Equipment Maintenance	1,000	-	-
Minor Equipment	3,000	-	1,433
Contract Services	5,000	9,921	600
Functional Fitness for Falls Training	-	-	1,415
Continuing Care Manager - Supervisor Travel	-	-	5,138
	440,379	**460,335**	**437,961**
Excess Funding over Expense	**$ (10,379)**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule A-2
Schedule of Detailed Contribution Funding and Expenses
Victims of Family Violence
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - Department of Health &Social Services	$ -	$ 8,623	$ 30,107
Contribution Receivable	-	19,118	-
	-	**27,741**	**30,107**
Expenses			
Materials & Supplies	-	328	261
Travel	-	4,135	2,873
Administration cost	-	474	1,434
Contracted Services	-	22,454	10,612
Rental	-	350	14,927
	-	**27,741**	**30,107**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule A-3
Schedule of Detailed Contribution Funding and Expenses
Mental Health First Aid for Northern Peoples Tlicho Region
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - Department of Health &Social Services	$ -	$ 16,026	$ 12,715
Contribution Repayable	-	(6,044)	-
	-	**9,982**	**12,715**
Expenses			
Facilitator Cost	-	2,753	1,726
Materials & Supplies	-	1,458	2,841
Travel	-	3,345	4,543
Administration cost	-	475	606
Rental	-	1,950	3,000
	-	**9,982**	**12,715**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule A-4
Schedule of Detailed Contribution Funding and Expenses
Applied Suicide Intervention Skills Training (ASIST) Tlicho Region
For the year ended March 31, 2018

	(Unaudited) 2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - Department of Health &Social Services	$ -	$ -	$ 17,978
Contribution Receivable	-	9,375	-
	-	**9,375**	**17,978**
Expenses			
Facilitator Cost	-	784	2,496
Materials & Supplies	-	1,749	8,336
Travel	-	4,315	3,790
Administration Cost	-	446	856
Rental	-	2,080	2,500
	-	**9,375**	**17,978**
Excess Funding over Expense	**$ -**	**$ -**	**$ 0**

Tlicho Community Services Agency
Schedule B
Health Schedule of Reserves
For the year ended March 31, 2018

	Surplus/Deficit		Leave & Termination		Special Projects		Total Reserves	
Balance, beginning of the year	-	-	-	-	-	-	-	-
Additions/Reductions to/from Reserves	-	-	-	-	-	-	-	-
Transfers between Reserves	-	-	-	-		-	-	-
Balance, end of the year	-	-	-	-	-	-	-	-

The Agency has no funds in reserves.

Tlicho Community Services Agency
Schedule C
Education Division
Schedule of Expenses
For the year ended March 31, 2018

	School Programs	Inclusive Schooling	Infrastructure	Administration	Aboriginal Languages	Other Projects	Totals
Salaries							
Teachers	$ 7,272,667	$ 809,998			$ 888,706		$ 8,971,371
Inst Asst.		1,132,193			247,237		1,379,430.02
Non-Inst Staff	2,124,100	453,005		857,533	378,737	49,465	3,862,839.78
Brd Honoraria				29,908			29,907.77
Employee Benefits							
Benefits/Allow	102,575			17,568			120,142.48
Leave & Term.				(208,596)			(208,596.10)
Services Purchased / Contracted							-
Prof & Tech Serv							-
Office Supp & Admin							-
Postage/Communication	99,151			56,283	881		156,315.37
Utilities							-
Travel/Training	57,837	126,072		27,575	52,519	35,751	299,753.99
Student Travel							-
Advert/Prntg/Publshng	8,749						8,749.11
Main/Repair	5,258			883	1,940		8,080.18
Rentals/Leases	83,698			12,432	1,804		97,934.21
Vehicle Expense	149,983	103		82	6,359		156,527.14
Equipment Maintenance							-
Other	12,601	394		71,952	50		84,996.09
Contributed Services	73,119			19,935	75,000		168,054.70
Contracted Services	95,629	282,325		15,517	122,224	216,427	732,121.75
Renovations							-
Home Boarding Allowance	28,084						28,084.00
Materials / Supplies / Freight							
Materials	641,990	31,409		45,146	52,293	314,985	1,085,823.64
Furniture and Equipment					2,342		2,341.72
Freight	29,407	581		875	305		31,168.32
Total Expense	**$ 10,784,848**	**$ 2,836,078**	**$ -**	**$ 947,093**	**$ 1,830,398**	**$ 616,628**	**$ 17,015,045**

Tlicho Community Services Agency
Education - Contribution Agreements
Schedule C.1
Other Education Contributions
For the year ended March 31, 2018

		2018 Actual	2017 Actual
Contribution Agreement Revenue			
Aboriginal Languages	Schedule C-1	$ 64,943	$ 60,000
Take a Kid Trapping - Chief Jimmy Bruneau School	Schedule C-3	8,000	8,000
Take a Kid Trapping - Elizabeth Mackenzie Elementary School	Schedule C-4	8,000	8,000
Take a Kid Trapping - Jean Wetrade Gameti School	Schedule C-5	6,000	8,000
Take a Kid Trapping - Mezi Community School	Schedule C-6	8,000	8,000
Take a Kid Trapping - Alexis Arrowmaker School	Schedule C-7	7,700	-
Snack Program - Elizabeth Mackenzie Elementary School	Schedule C-8	16,141	3,689
Snack Program - Mezi Community School	Schedule C-9	1,240	7,660
Snack Program - Jean Wetrade Gameti School	Schedule C-10	-	6,997
Snack Program - Alexis Arrowmaker School	Schedule C-11	1,047	778
Snack Program - Chief Jimmy Bruneau School (Elementary)	Schedule C-12	1,707	1,709
Snack Program - Chief Jimmy Bruneau High School	Schedule C-13	8,628	8,472
Active After School - Chief Jimmy Bruneau High School	Schedule C-14	12,000	12,300
Active After School - Mezi Community School	Schedule C-15	16,500	17,300
Active After School - Alexis Arrormaker School	Schedule C-16	16,800	17,300
Active After School - Jean Wetrade Gameti School	Schedule C-17	16,000	17,300
Active After School - Elizabeth Mackenzie Elementary School	Schedule C-18	15,300	12,300
Public Library Services - Mezi Community School	Schedule C-19	35,000	38,000
Public Library Services - Jean Wetrade Gameti School	Schedule C-20	35,000	38,000
Public Library Services - Elizabeth Mackenzie Elementary School	Schedule C-21	35,000	38,000
Public Library Services - Chief Jimmy Bruneau School	Schedule C-22	35,000	38,000
Food First Foundation - Jean Wetrade Gameti School	Schedule C-23	2,339	10,186
Food First Foundation - Elizabeth Mackenzie Elementary School	Schedule C-24	2,682	5,374
Food First Foundation (Kitchen Equip) - Mezi Community School	Schedule C-25	1,200	-
NWT Taste Makers - Food First Foundation	Schedule C-26	1,422	1,316
Breakfast Club - Jean Wetrade Gameti School	Schedule C-27	1,751	-
Breakfast Club - Elizabeth Mackenzie Elementary School	Schedule C-28	-	-
Youth Contribution (Music) - Chief Jimmy Bruneau School	Schedule C-29	5,000	5,000
Youth Contribution (Local Sport) - Jean Wetrade Gameti School	Schedule C-30	1,024	-
Youth Contribution (Local Sport) - Mezi Community School	Schedule C-31	1,054	-
Youth Contribution (Local Sport) - Alexis Arrowmaker School	Schedule C-32	-	1,100
Youth Contribution (School Trip) - Chief Jimmy Bruneau School	Schedule C-33	9,000	-
Drop the Pop	Schedule C-34	9,950	8,625
On the Land Collaborative - Elizabeth Mackenzie Elementary Schoo	Schedule C-35	4,266	-
Self Regulation - Chief Jimmy Bruneau School	Schedule C-36	6,000	-
LMAPD	Schedule C-37	35,125	-
Yoga Fitness - Jean Wetrade Gaemti School	Schedule C-38	3,414	1,363
Literacy - Chief Jimmy Bruneau High School	Schedule C-39	-	4,900
Miscellaneous	Schedule C-40	184,596	233,533
		$ 616,828	**$ 621,201**

Tlicho Community Services Agency
Education - Contribution Agreements
Schedule C.1
Other Education Contributions
For the year ended March 31, 2018

		2018 Actual	2017 Actual
Contribution Agreement Expenditures			
Aboriginal Languages	Schedule C-1	$ 64,943	$ 69,327
Take a Kid Trapping - Chief Jimmy Bruneau School	Schedule C-3	8,000	8,020
Take a Kid Trapping - Elizabeth Mackenzie Elementary School	Schedule C-4	7,994	8,012
Take a Kid Trapping - Jean Wetrade Gameti School	Schedule C-5	6,084	7,998
Take a Kid Trapping - Mezi Community School	Schedule C-6	8,027	8,018
Take a Kid Trapping - Alexis Arrowmaker School	Schedule C-7	9,950	8,618
Snack Program - Elizabeth Mackenzie Elementary School	Schedule C-8	16,141	3,689
Snack Program - Mezi Community School	Schedule C-9	1,620	7,660
Snack Program - Jean Wetrade Gameti School	Schedule C-10	-	6,891
Snack Program - Alexis Arrowmaker School	Schedule C-11	1,047	778
Snack Program - Chief Jimmy Bruneau School (Elementary)	Schedule C-12	1,707	1,709
Snack Program - Chief Jimmy Bruneau High School	Schedule C-13	8,663	8,472
Active After School - Chief Jimmy Bruneau High School	Schedule C-14	13,514	12,307
Active After School - Mezi Community School	Schedule C-15	16,586	17,304
Active After School - Alexis Arrormaker School	Schedule C-16	16,783	17,304
Active After School - Jean Wetrade Gameti School	Schedule C-17	16,003	17,319
Active After School - Elizabeth Mackenzie Elementary School	Schedule C-18	15,300	12,300
Public Library Services - Mezi Community School	Schedule C-19	35,111	38,009
Public Library Services - Jean Wetrade Gameti School	Schedule C-20	35,005	38,122
Public Library Services - Elizabeth Mackenzie Elementary School	Schedule C-21	35,015	38,163
Public Library Services - Chief Jimmy Bruneau School	Schedule C-22	35,436	38,153
Food First Foundation - Jean Wetrade Gameti School	Schedule C-23	2,339	12,174
Food First Foundation - Elizabeth Mackenzie Elementary School	Schedule C-24	2,812	5,374
Food First Foundation (Kitchen Equip) - Mezi Community School	Schedule C-25	1,220	-
NWT Taste Makers - Food First Foundation	Schedule C-26	1,440	1,233
Breakfast Club - Jean Wetrade Gameti School	Schedule C-27	1,751	-
Breakfast Club - Elizabeth Mackenzie Elementary School	Schedule C-28	-	-
Youth Contribution (Music) - Chief Jimmy Bruneau School	Schedule C-29	5,000	5,000
Youth Contribution (Local Sport) - Jean Wetrade Gameti School	Schedule C-30	1,187	-
Youth Contribution (Local Sport) - Mezi Community School	Schedule C-31	1,052	-
Youth Contribution (Local Sport) - Alexis Arrowmaker School	Schedule C-32	-	1,149
Youth Contribution (School Trip) - Chief Jimmy Bruneau School	Schedule C-33	9,136	-
Drop the Pop	Schedule C-34	7,697	-
On the Land Collaborative - Elizabeth Mackenzie Elementary Schoo	Schedule C-35	4,266	-
Self Regulation - Chief Jimmy Bruneau School	Schedule C-36	7,613	-
LMAPD	Schedule C-37	32,422	-
Yoga Fitness - Jean Wetrade Gaemti School	Schedule C-38	2,985	1,363
Literacy - Chief Jimmy Bruneau High School	Schedule C-39	-	5,300
Miscellaneous	Schedule C-40	182,780	253,163
		$ 616,628	**$ 652,928**
Excess Funding over Expenenses		**$ 200**	**$ (31,727)**

Tlicho Community Services Agency
Schedule C-1
Schedule of Specific Program
Aboriginal Languages
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	$ 60,000	$ 269,000	$ 60,000
GNWT - ECE Deferred	-	(204,057)	-
	60,000	**64,943**	**60,000**
Expenses			
Materials & Supplies	60,000	55,641	67,031
Training & Development	-	832	-
Travel	-	3,105	-
Contract Services	-	5,365	2,297
	60,000	**64,943**	**69,327**
Excess Funding over Expense	**$ -**	**$ -**	**$ (9,327)**

Tlicho Community Services Agency
Schedule C-2
Schedule of Specific Program
Education Infrastructure
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Personnel Infrastructure			
Funding			
GNWT - ECE	$ 150,000	$ -	$ 34,401
	150,000	**-**	**34,401**
Expenses			
Staffing:			
Advertising	-	-	-
Hiring Expenses	-	-	-
Employee Benefits:	-	-	-
Removal In/Transfer	60,000	53,293	61,564
Ultimate Removal	-	-	-
Medical Travel Assistance	-	-	-
Dental Premiums	-	-	-
Family Assistance Program	-	-	-
WCB	90,000	83,816	94,770
Total Expenses	**150,000**	**137,108**	**156,334**
Surplus (Deficit)	-	(137,108)	(121,933)
Utilities and Leases			
Funding			
GNWT - ECE	-	-	-
Total Funding		-	-
Expenses			
Utilities:			
Fuel	-	-	-
Electricity	-	-	-
Water/Sewer	-	-	-
Boiler Maintenance	-	-	-
Total Expenses	-	-	-
Surplus (Deficit)	-	-	-
Excess Funding over Expense	**$ -**	**$ (137,108)**	**$ (121,933)**

Tlicho Community Services Agency
Schedule C-3
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping - Chief Jimmy Bruneau School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ENR	**$ -**	**$ 8,000**	**$ 8,000**
Expenses			
Materials & Supplies	-	-	5,420
Contract Services	-	8,000	2,600
	-	**8,000**	**8,020**
Excess Funding over Expenses	**$ -**	**$ -**	**$ (20)**

Tlicho Community Services Agency
Schedule C-4
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ENR	$ -	$ 8,000	$ 8,000
Expenses			
Materials & Supplies	-	1,638	2,656
Gasoline	-	906	506
Contract Services	-	5,450	4,850
	-	7,994	8,012
Excess Funding over Expense	$ -	$ 6	$ (12)

Tlicho Community Services Agency
Schedule C-5
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ENR	$ -	$ 6,000	$ 8,000
Expenses			
Materials & Supplies	-	3,384	2,198
Contract Services	-	2,700	5,800
	-	6,084	7,998
Excess Funding over Expense	$ -	$ (84)	$ 2

Tlicho Community Services Agency
Schedule C-6
Schedule of Detailed Contribution Funding and Expense
Take a Kid Trapping - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ENR	$ -	$ 8,000	$ 8,000
Expenses			
Materials & Supplies	-	1,263	4,845
Gasoline	-	674	1,003
Contract Services	-	6,090	2,170
	-	8,027	8,018
Excess Funding over Expense	$ -	$ (27)	$ (18)

Tlicho Community Services Agency
Schedule C-7
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping - Alexis Arrowmaker School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ENR	$ -	$ 7,700	$ -
Expenses			
Materials & Supplies	-	4,072	-
Gasoline	-	624	-
Contract Services	-	3,000	-
	-	7,697	-
Excess Funding over Expense	$ -	$ 3	$ -

Tlicho Community Services Agency
Schedule C-8
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Children's Charity President's Choice (PC)	$ -	$ 10,000	$ 13,700
Children's Charity President's Choice (PC) Deferred	-	(3,871)	-
Breakfast for Learning Deferred - PY	9,000	10,011	(10,011)
	9,000	**16,141**	**3,689**
Expenses			
Materials & Supplies (BFL)	9,000	10,201	3,689
Materials & Supplies (PC)	-	5,940	-
	9,000	**16,141**	**3,689**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-9
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast for Learning	$ 3,000	$ -	$ 8,900
Breakfast for Learning Deferred - PY	-	1,240	(1,240)
	3,000	**1,240**	**7,660**
Expense			
Contract Services	3,000	1,620	7,660
	3,000	**1,620**	**7,660**
Excess Funding over Expense	**$ -**	**$ (380)**	**$ -**

Tlicho Community Services Agency
Schedule C-10
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast for Learning	$ 2,000	$ -	$ 3,000
Breakfast for Learning Deferred - PY	-	-	3,997
	2,000	-	**6,997**
Expenses			
Materials & Supplies	2,000	-	6,891
	2,000	-	**6,891**
Excess Funding over Expense	**$ -**	**$ -**	**$ 106**

Tlicho Community Services Agency
Schedule C-11
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Alexis Arrowmaker School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast for Learning	$ 1,400	$ -	$ 2,200
Breakfast for Learning Deferred - PY	-	3,253	1,832
Breakfast for Learning Deferred	-	(2,206)	(3,253)
	1,400	**1,047**	**778**
Expenses			
Materials & Supplies	1,400	1,047	778
	1,400	**1,047**	**778**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-12
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Chief Jimmy Bruneau School (Elementary)
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast for Learning	$ -	$ 10,000	$ 1,700
Breakfast for Learning Deferred	-	(9,984)	(1,691)
Breakfast for Learning Deferred - PY	1,000	1,691	1,700
	1,000	**1,707**	**1,709**
Expense			
Materials & Supplies	1,000	1,707	1,709
	1,000	**1,707**	**1,709**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-13
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Chief Jimmy Bruneau High School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast for Learning	$ 7,000	$ -	$ 9,000
Breakfast for Learning Deferred	-	-	(8,628)
Breakfast for Learning Deferred - PY	-	8,628	8,100
	7,000	**8,628**	**8,472**
Expenses			
Materials & Supplies	7,000	8,663	8,472
	7,000	**8,663**	**8,472**
Excess Funding over Expense	**$ -**	**$ (35)**	**$ -**

Tlicho Community Services Agency
Schedule C-14
Schedule of Detailed Contribution Funding and Expenses
Active After School - Chief Jimmy Bruneau High School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	$ 12,000	$ 12,000	$ 12,300
Expenses			
Materials & Supplies	12,000	13,514	12,307
	12,000	13,514	12,307
Excess Funding over Expense	$ -	$ (1,514)	$ (7)

Tlicho Community Services Agency
Schedule C-15
Schedule of Detailed Contribution Funding and Expenses
Active After School - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	**$ 16,500**	**$ 16,500**	**$ 17,300**
Expenses			
Materials & Supplies	16,500	10,466	14,027
Minor Equipment	-	-	3,277
Contract Services	-	6,120	-
	16,500	**16,586**	**17,304**
Excess Funding over Expenses	**$ -**	**$ (86)**	**$ (4)**

Tlicho Community Services Agency
Schedule C-16
Schedule of Detailed Contribution Funding and Expenses
Active After School - Alexis Arrormaker School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	**$ 16,800**	**$ 16,800**	**$ 17,300**
Expenses			
Materials & Supplies	16,800	13,073	16,914
Minor Equipment	-	-	390
Contract Services	-	3,711	-
	16,800	**16,783**	**17,304**
Excess Funding over Expense	**$ -**	**$ 17**	**$ (4)**

Tlicho Community Services Agency
Schedule C-17
Schedule of Detailed Contribution Funding and Expenses
Active After School - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	**$ 16,000**	**$ 16,000**	**$ 17,300**
Expenses			
Materials & Supplies	16,000	16,003	17,319
			-
	16,000	**16,003**	**17,319**
Excess Funding over Expense	**$ -**	**$ (3)**	**$ (19)**

Tlicho Community Services Agency
Schedule C-18
Schedule of Detailed Contribution Funding and Expenses
Active After School - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	**$ 15,300**	**$ 15,300**	**$ 12,300**
Expenses			
Materials & Supplies	15,300	-	12,300
Contract Services	-	15,300	-
	15,300	**15,300**	**12,300**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-19
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	**$ 35,000**	**$ 35,000**	**$ 38,000**
Expenses			
Salaries & Benefits	-	10,673	27,589
Materials & Supplies	8,750	2,300	10,420
Contract Services	26,250	22,138	-
	35,000	**35,111**	**38,009**
Excess Funding over Expense	**$ -**	**$ (111)**	**$ (9)**

Tlicho Community Services Agency
Schedule C-20
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	**$ 35,000**	**$ 35,000**	**$ 38,000**
Expenses			
Salaries & Benefits	-	11,414	35,124
Materials & Supplies	2,000	2,122	2,998
Contract Services	33,000	21,469	-
	35,000	**35,005**	**38,122**
Excess Funding over Expense	**$ -**	**$ (5)**	**$ (122)**

Tlicho Community Services Agency
Schedule C-21
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	**$ 35,000**	**$ 35,000**	**$ 38,000**
Expenses			
Salaries & Benefits	-	13,048	37,346
Materials & Supplies	1,500	1,494	817
Contract Services	33,500	20,472	-
	35,000	**35,015**	**38,163**
Excess Funding over Expense	**$ -**	**$ (15)**	**$ (163)**

Tlicho Community Services Agency
Schedule C-22
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Chief Jimmy Bruneau School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	**$ 35,000**	**$ 35,000**	**$ 38,000**
Expenses			
Salaries & Benefits	-	14,329	38,153
Contract Services	35,000	21,107	-
	35,000	**35,436**	**38,153**
Excess Funding over Expense	**$ -**	**$ (436)**	**$ (153)**

Tlicho Community Services Agency
Schedule C-23
Schedule of Detailed Contribution Funding and Expense
Food First Foundation - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Food First Foundation	$ -	$ 4,566	$ 6,168
Food First Foundation Deferred		(2,227)	4,018
	-	**2,339**	**10,186**
Expenses			
Materials & Supplies	-	2,339	12,174
	-	**2,339**	**12,174**
Excess Funding over Expense	**$ -**	**$ -**	**$ (1,988)**

Tlicho Community Services Agency
Schedule C-24
Schedule of Detailed Contribution Funding and Expense
Food First Foundation - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Food First Foundation	$ -	$ 2,056	$ 5,781
Food First Foundation Deferred - PY	-	626	219
Food First Foundation Deferred	-	-	(626)
	-	**2,682**	**5,374**
Expenses			
Materials & Supplies	-	2,812	5,374
	-	**2,812**	**5,374**
Excess Funding over Expense	**$ -**	**$ (130)**	**$ -**

Tlicho Community Services Agency
Schedule C-25
Schedule of Detailed Contribution Funding and Expenses
Food First Foundation (Kitchen Equip) - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Food First Foundation	$ -	$ -	$ 1,200
Food First Foundation Deferred	-	1,200	(1,200)
	-	**1,200**	-
Expenses			
Materials & Supplies	-	1,220	-
	-	**1,220**	-
Excess Funding over Expense	**$ -**	**$ (20)**	**$ -**

Tlicho Community Services Agency
Schedule C-26
Schedule of Detailed Contribution Funding and Expense
NWT Taste Makers - Food First Foundation
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Food First (NWT Taste Makers)	$ -	$ 2,120	$ 1,142
Food First (NWT Taste Makers) Deferred	-	(1,720)	(1,022)
Food First (NWT Taste Makers) Deferred - PY	-	1,022	1,196
	-	**1,422**	**1,316**
Expenses			
Chief Jimmy Bruneau School	-	1,440	-
MEZI Community School	-	-	-
Jean Wetrade Gameti School	-	-	-
Alexis Arrowmaker School	-	-	1,233
	-	**1,440**	**1,233**
Excess Funding over Expense	**$ -**	**$ (18)**	**$ 83**

Tlicho Community Services Agency
Schedule C-27
Schedule of Detailed Contribution Funding and Expense
Breakfast Club - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast Club of Canada	$ -	$ 3,734	$ -
Breakfast Club of Canada Deferred	-	(1,983)	-
	-	**1,751**	-
Expenses			
Materials & Supplies	-	1,751	-
	-	**1,751**	-
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-28
Schedule of Detailed Contribution Funding and Expense
Breakfast Club - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Breakfast Club of Canada	$ -	$ 5,000	$ -
Breakfast Club of Canada Deferred	-	(5,000)	-
	-	-	-
Expenses			
Materials & Supplies	-	-	-
	-	-	-
Excess Funding over Expense	$ -	$ -	$ -

Tlicho Community Services Agency
Schedule C-29
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Music) - Chief Jimmy Bruneau School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	**$ -**	**$ 5,000**	**$ 5,000**
Expenses			
Materials & Supplies	-	500	-
Travel	-	-	1,000
Contract Services	-	4,500	4,000
	-	**5,000**	**5,000**
Excess Funding over Expense	**$ -**	**$ -**	**$ 0**

Tlicho Community Services Agency
Schedule C-30
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Local Sport) - Jean Wetrade Gameti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	$ -	$ 1,024	$ -
Expenses			
Materials & Supplies	-	912	-
Travel	-	275	-
	-	1,187	-
Excess Funding over Expense	$ -	$ (163)	$ -

Tlicho Community Services Agency
Schedule C-31
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Local Sport) - Mezi Community School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	$ -	$ 1,054	$ -
Expenses			
Travel	-	1,052	-
	-	1,052	-
Excess Funding over Expense	$ -	$ 2	$ -

Tlicho Community Services Agency
Schedule C-32
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Local Sport) - Alexis Arrowmaker School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	$ -	$ -	$ 1,100
Expenses			
Materials & Supplies	-	-	1,149
	-	-	1,149
Excess Funding over Expense	$ -	$ -	$ (49)

Tlicho Community Services Agency
Schedule C-33
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (School Trip) - Chief Jimmy Bruneau School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - MACA	$ -	$ 4,000	$ -
Tlicho Government	-	5,000	-
	-	**9,000**	-
Expenses			
Travel	-	9,136	-
	-	**9,136**	-
Excess Funding over Expense	**$ -**	**$ (136)**	**$ -**

Tlicho Community Services Agency
Schedule C-34
Schedule of Detailed Contribution Funding and Expenses
Drop the Pop
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT HSS - CJBS	$ -	$ 3,000	$ 1,725
GNWT HSS - MEZI	-	1,800	2,013
GNWT HSS - JWGS	-	1,450	1,438
GNWT HSS - EMES	-	2,100	2,300
GNWT HSS - Wekweeti	-	1,600	1,150
	-	**9,950**	**8,625**
Expenses			
Materials & Supplies - CJBS	-	2,500	1,722
Materials & Supplies - MEZI	-	1,152	1,352
Materials & Supplies - JWGS	-	1,520	1,437
Materials & Supplies - EMES	-	2,077	1,266
Materials & Supplies - Wekweeti	-	1,601	1,150
Contracted Services - CJBS	-	600	-
Contracted Services - MEZI	-	500	640
Contracted Services - EMES	-	-	1,050
	-	**9,950**	**8,618**
Excess Funding over Expense	**$ -**	**$ 0**	**$ 7**

Tlicho Community Services Agency
Schedule C-35
Schedule of Detailed Contribution Funding and Expenses
On the Land Collaborative - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
Tides Canada	$ -	$ 10,000	$ -
Tides Canada Deferred	-	(5,734)	-
	-	**4,266**	-
Expenses			
Materials & Supplies	-	4,266	-
	-	**4,266**	-
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-36
Schedule of Detailed Contribution Funding and Expenses
Self Regulation - Chief Jimmy Bruneau School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	$ -	$ 6,000	$ -
Expenses			
Materials & Supplies	-	7,613	-
	-	7,613	-
Excess Funding over Expense	$ -	$ (1,613)	$ -

Tlicho Community Services Agency
Schedule C-37
Schedule of Detailed Contribution Funding and Expenses
LMAPD
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
GNWT - ECE	$ -	$ 35,125	$ -
Expenses			
Contract Services	-	32,422	-
	-	32,422	-
Excess Funding over Expense	$ -	$ 2,703	$ -

Tlicho Community Services Agency
Schedule C-38
Schedule of Detailed Contribution Funding and Expenses
Yoga Fitness - Jean Wetrade Gaemti School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
NWT, Minister Responsible for Women	$ -	$ -	$ 4,000
NWT, Minister Responsible for Women Deferred	-	-	(3,414)
NWT, Minister Responsible for Women Deferred - PY	-	3,414	777
	-	**3,414**	**1,363**
Expenses			
Materials & Supplies	-	2,985	1,363
	-	**2,985**	**1,363**
Excess Funding over Expense	**$ -**	**$ 430**	**$ -**

Tlicho Community Services Agency
Schedule C-39
Schedule of Detailed Contribution Funding and Expenses
Literacy - Chief Jimmy Bruneau High School
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
NWT Literacy	$ -	$ -	$ 4,900
Expenses			
Materials & Supplies	-	-	5,300
	-	-	5,300
Excess Funding over Expense	$ -	$ -	$ (400)

Tlicho Community Services Agency
Schedule C-40
Schedule of Detailed Contribution Funding and Expenses
Miscellaneous
For the year ended March 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Funding			
CJBS Miscellaneous	$ -	$ 2,624	$ 8,896
CJBS Miscellaneous (Deferred)	-	(1,665)	37,993
CJBS Fundraising	-	22,308	-
CJBS Fundraising (Deferred)	-	(21,422)	-
CJBS Cultural Program (BHP & Ekati)	-	25,000	25,000
CJBS Cultural Program (BHP & Ekati)	-	25,000	(25,000)
CJBS Cultural Program (BHP & Ekati) Deferred		(15,993)	-
MEZI Miscellaneous	-	9,841	2,000
MEZI Miscellaneous (Deferred)	-	-	10,500
MEZI Fundraising (Deferred)	-	-	13,295
MEZI Cultural Program (BHP & Ekati)	-	25,000	25,000
MEZI Cultural Program (BHP Billiton) Deferred	-	(50,105)	10,277
MEZI Cultural Program (BHP Billiton) Deferred	-	25,105	(25,105)
JWGS Miscellaneous	-	2,625	26
JWGS Miscellaneous (Deferred)	-	-	9,471
JWGS Fundraising	-	13,000	4,080
JWGS Fundraising (Deferred)	-	(13,000)	1,461
JWGS Literacy	-	5,000	-
JWGS Literacy (Deferred)	-	(1,177)	1,368
JWGS Cultural Program (BHP & Ekati)	-	25,000	25,000
JWGS Cultural Program (BHP & Ekati) (Deferred)	-	18,728	(18,728)
JWGS Cultural Program (BHP & Ekati)	-	(15,266)	-
EMES Miscellaneous	-	9,335	10,611
EMES Miscellaneous (Deferred)	-	(3,766)	17,687
EMES Literacy (Tlicho Governement)		16,997	5,000
EMES Literacy (Tlicho Governement) Deferred		2,491	(2,491)
EMES Literacy (Tlicho Governement) Deferred		(6,801)	-
EMES Cultural Program (BHP & Ekati)	-	25,000	25,000
EMES Cultural Program (BHP & Ekati) Deferred	-	(10,052)	18,121
EMES Cultural Program (BHP & Ekati) Deferred	-	19,074	(19,074)
AAS Miscellaneous	-	6,875	6,826
AAS Miscellaneous (Deferred)	-	(12,002)	7,525
AAS Miscellaneous (Deferred)	-	13,213	(13,213)
AAS Literacy		4,600	-
AAS Literacy (Deferred)		(2,395)	-
AAS Cultural Program (BHP & Ekati)	-	25,000	25,000
AAS Cultural Program (BHP & Ekati) Deferred	-	(26,857)	70,288
AAS Cultural Program (BHP & Ekati) Deferred	-	38,281	(38,281)
AAS Youth Contribution (School Trip)		5,000	-
Aboriginal Language (Tlicho Government)	-	-	15,000
	$ -	**$ 184,596**	**$ 233,533**

Expenses			
CJBS Miscellaneous	$ -	$ 959	$ 54,005
CJBS Fundraising	-	885	-
CJBS Cultural Program (BHP & Ekati)	-	34,007	
MEZI Miscellaneous	-	5,106	12,311
MEZI Fundraising	-	2,549	16,228
MEZI Cultural Program (BHP & Ekati)	-	-	10,172
JWGS Miscellaneous	-	1,196	9,639
JWGS Fundraising	-	-	6,750
JWGS Literacy	-	3,823	1,270
JWGS Cultural Program (Ekati)	-	28,463	6,272
EMES Miscellaneous	-	5,569	33,985
EMES Literacy (Tlicho Governement)	-	12,686	2,509
EMES Bookfair	-	1,799	-
EMES Cultural Program (BHP & Ekati)	-	34,022	24,047
AAS Miscellaneous	-	8,086	1,138
AAS Literacy	-	2,205	-
AAS Cultural Program (BHP & Ekati)	-	36,424	57,007
AAS Youth Contribution (School Trip)	-	5,000	-
Aboriginal Language (Tlicho Government)	-	-	17,829
	$ -	**$ 182,780**	**$ 253,163**
Excess Funding over Expense	**$ -**	**$ 1,816**	**$ (19,630)**

Financial Statements of

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

March 31, 2018

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Financial Statements

Year ended March 31, 2018

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Hay River Health & Social Services Authority | Administration des services de santé et des services sociaux de Hay River
37911 MacKenzie Highway | 37911, route MacKenzie
Hay River, NT X0E 0R6

Management Discussion and Analysis

Introduction

Hay River Health and Social Services Authority (HRHSSA) have a mandate to provide publicly-funded health and social services under the Hospital Insurance and Health and Social Services Administration Act. Services are provided to the residents of the town of Hay River, Hay River Reserve, Enterprise, Kakisa and Fort Resolution. It is the responsibility of the HRHSSA Public Administrator and Management to promote transparency and accountability. The preparation of the Management Discussion and Analysis is a go-forward method of acknowledging this responsibility.

Our vision is to have "healthy people living in healthy communities" and the strategic priorities are to:

- Promote a culture within the organization that encourages and supports quality improvement in the delivery of health and social programs.
- Improved access to quality health and social services through an integrated and coordinated care model.
- Promote healthy environments that allow the people of Hay River region to live healthy lifestyles.
- Provide a healthy, safe workplace that is able to attract, support and retain a competent and skilled workforce.
- Provide health and social services that are sustainable and accountable.
- Establish a culture of client safety that minimizes hazards and client harm by focusing on processes of care.

Although HRHSSA has remained a separate Authority, we continue to work in collaboration with the Department of Health and Social Services, Tlicho Community Services Agency and the Northwest Territories Health and Social Services Authority. System transformation has provided an opportunity for improved access to services and quality of care. The Management and staff have continued to strive to provide the best health and best care to all of our clients.

Michael Maher is our Public Administrator and Erin Griffiths, our CEO, lead the Management Team. Members of the Senior Management Team are Frances Aylward, Director of Client Care Services, Carol Heron-Colosimo, Director, Social Programs, Jennifer Croucher, Manager, Human Resources and Doug MacLennan, Director of Finance and Administration.

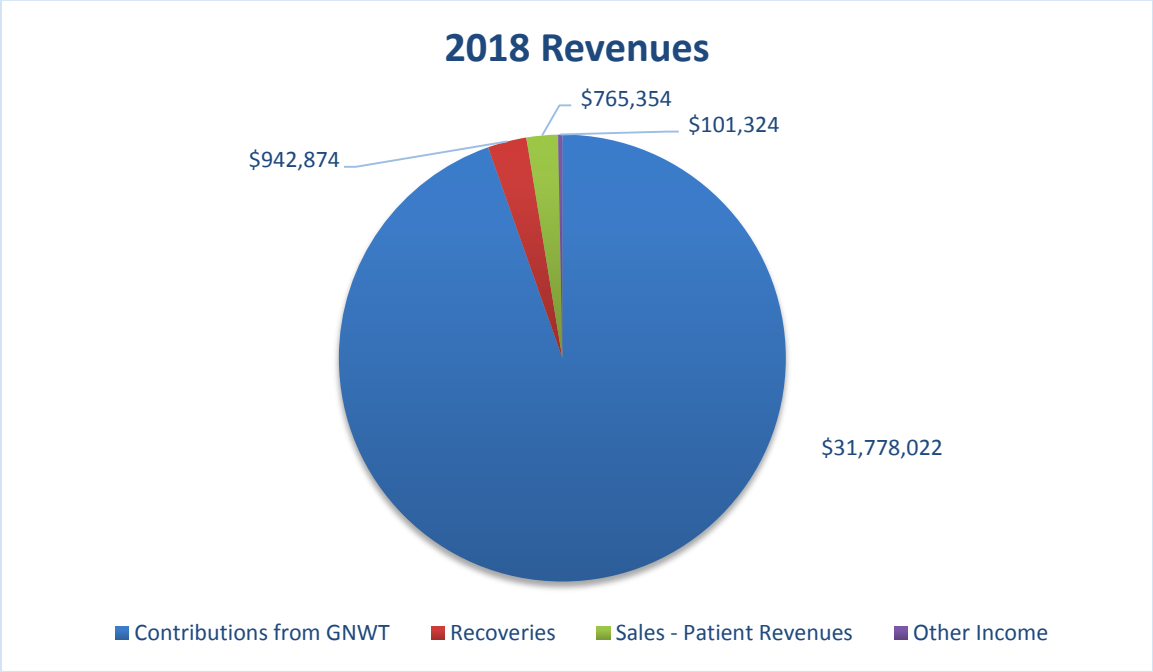
The last three years have shown a decline in the annual deficit due to an increase in the net value of the pension plan asset. The financial statements present an accumulated surplus of $7,304,893. Included in the deficit is a $500,000 cash reserve. If we remove the pension plan asset and cash reserve from the effects of the accumulated surplus, there is a resulting adjusted

accumulated deficit of $5,659,107. This adjusted deficit is due to a non-cash transaction that is based on the requirement to account for the pension liability on a going concern basis. At year end the market value of the pension fund assets were $12,464,000 higher than the pension obligation.

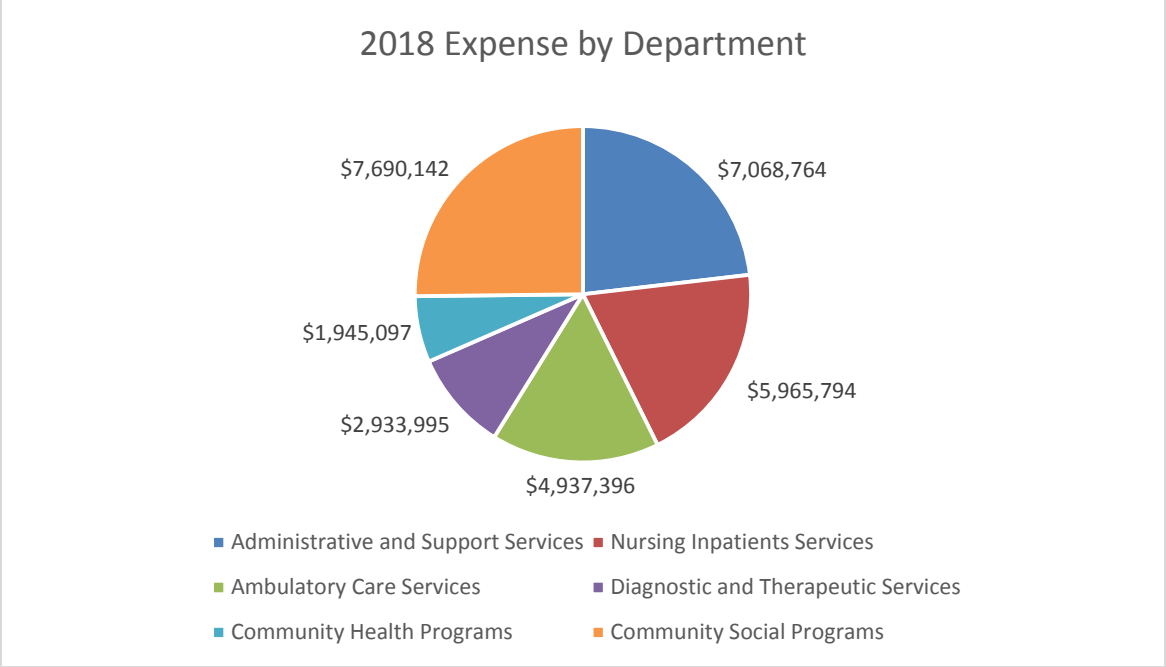
Support services include Human Resources, Finance, Information Services, Materials Management, Housekeeping, Laundry services, Registration, Engineering services, Dietary, Medical Records and Electronic Medical Records. The cost of providing basic services continue to grow; however, Management and staff continuously strive to reduce operating expenditures. Support services costs continue to rise as we face the challenge of recruitment of staff. Ambulatory care costs fluctuate based on the number of locum Physicians that are recruited each year.

Financial Highlights

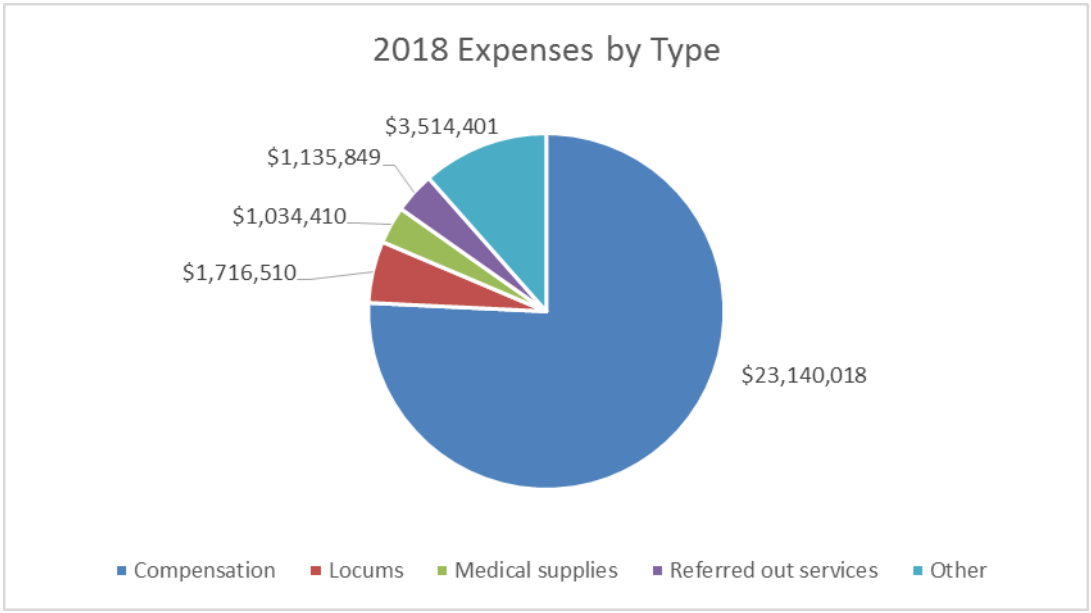
The Authority had just over $33.5M in revenues for the year of which 96% of the funds received were obtained from the GNWT, which is consistent with prior years



The following two charts show the breakdown of expenses by department and by type of expense. Expenses by department show that the largest spending in the Authority exists within the Administration and Support Services, Community Social Programs and Nursing Inpatient Services.

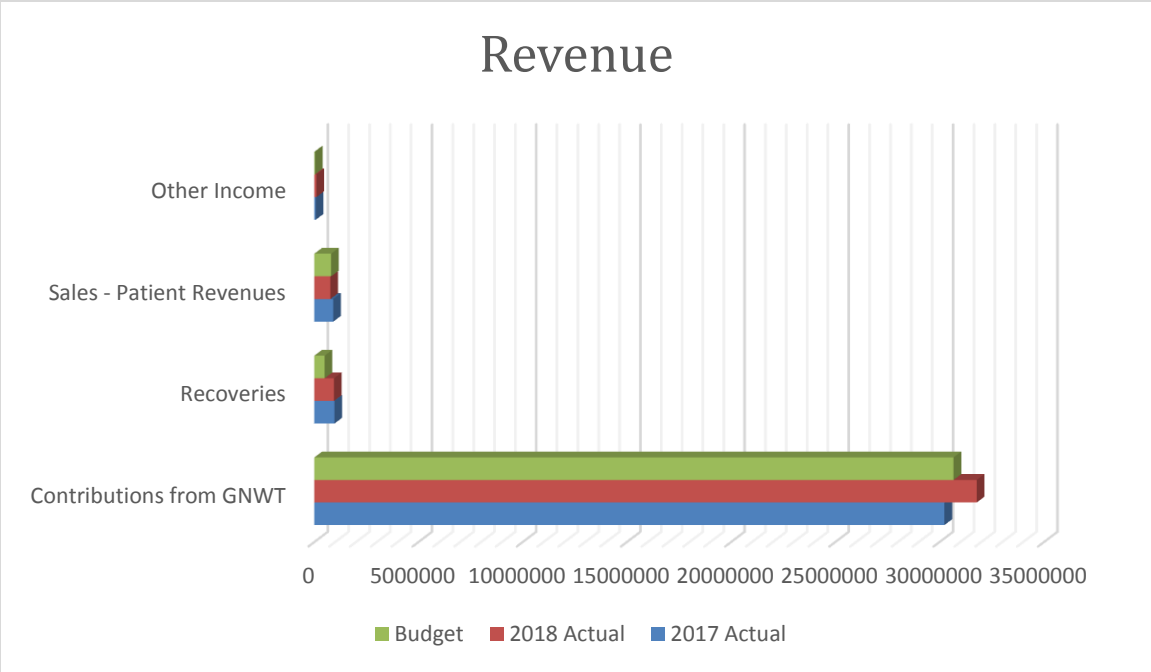


Consistent with prior years, wages account for 76% of total spending. Other costs include items such as supplies, referred out services, purchased services personnel, rent, equipment maintenance and other costs associated with the operation of the Authority.

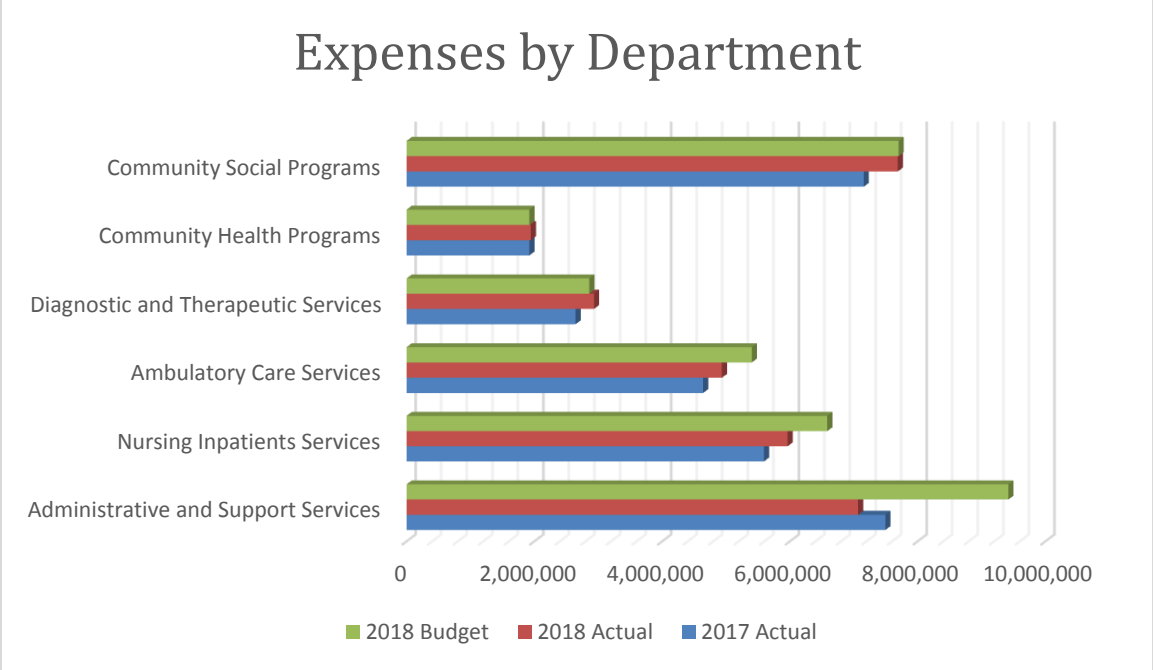


This next group of charts show the current year, prior year and budget numbers for comparative purposes.

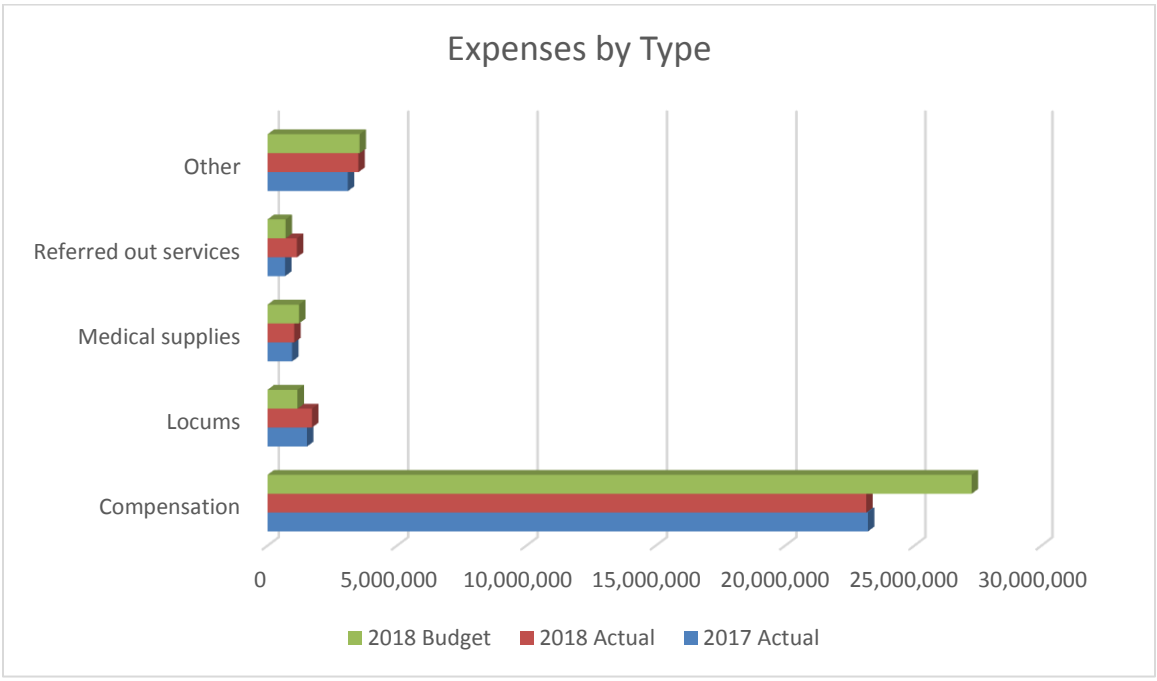
Revenues allocations from year to year and current year to budget are consistent with expectations and no significant variances exist with the exception of the increased Contributions from the GNWT to help fund pension special payments.



In comparing the current year expenses by department to budget, administration costs are lower than budgeted as they include the pension special payments of $1.5M, which was budgeted at half that costs incurred, and the unrealized gain in the pension plan financial asset of $3M. The variance in Nursing Inpatient Services from budget is due to vacant positions held in the year. Compared to the prior year values, Nursing Inpatient Services has increased due to further transitioning into a new hospital facility and the additional staffing requirements of that facility.



In comparing expenses by type, there were several positions that were budgeted for, but not filled due to lack of qualified applicants and funding constraints. The other identifiable variance is in locum fees, which we can see the current year costs were both more than budget and the prior year. This is a direct result of the increased demand in services.



As expected in the year, the Authority incurred considerable wages and compensation as they continue to transition to the new location.

Operating Environment

HRHSSA's strength has always been a dedicated and long standing staff in front-line and Manager/Supervisory roles that are dedicated to providing quality care to clients. Management and staff are conscious of our deficit and make decisions that save money and time.

Communication between departments remains a challenge as staff are busy and have been relocated to separate facilities, and some communications do not reach the target. During the year there were 15,665 patients seen in the medical clinic (1,151 no-show clients) and 5,728 emergency visits with 1,900 ER visits being from level 1 to level 3.

Social Programs in the Northwest Territories has experienced a transformation in the way we provide services to the public. Child and Family Services have implemented new Standards, tools and an Action Plan designed to improve the quality of services that is consistent throughout the NWT. Currently all 3 Authorities have trained our Child Protection Workers in the first of six Structured Decision Making Tools, designed to better engage clients and their families, improve the quality of services and better support Child Protection Workers.

Community Counselling Programs have introduced new Standards effective April 1, 2016. The intent of the new standards is to improve the processes and implement procedures which address efforts being made to enhance services. High caseloads and long waitlists for clients continue to be of greatest concern. The lack of resources to further enhance programming after hours, etc., can potentially jeopardise the balance of this highly qualified and motivated group. Additional resources to this program could potentially decrease the waitlist in less time.

Healthy Families statistics continue to grow on a monthly basis. There are 68 regular families this team of two staff provide services to. Programming has been maintained due to the consistent staffing compliment. With an increase in clients this program's main challenge is the lack of resources in which to expand their program to adequately meet the client's needs. Currently any group activities are organized utilizing outside partners such as the Katlodeeche First Nation. Accessing space in the Community increases rental fees. Our staff, have created a number of partnerships with new programs in the Northwest Territories and have been a lead mentoring these newer programs. This program has also developed positive community partnerships

Financial Conditions

The financial health of the Authority is in critical condition as the deficit continues to grow and the cash flow continues to decline. The accumulated adjusted deficit can mainly be attributed to staffing costs, which include wages, compensation and locum fees, and account for just over 81% of our spending. Relocation, responsibility pay, maternity/paternity, severance, overtime and standby costs are not included in the core funding. These unfunded items of the collective agreement totalled over $1,445,783. Further there are non-budget items such as sick, special,

education and discretionary leaves totalling in excess of $1,294,233 and a shortfall in medical travel of $166,014.

With cash of $1,468,825 and current liabilities of $2,891,010 it is evident that the liquidity of the Authority is a concern. There is always a constant struggle in the last quarter to ensure bills are paid and payroll is met. In addition to the above mentioned liabilities, there are disputed contributions repayable to the GNWT in the amount of $2,353,808, which have not been repaid due to cash flow.

The financial statements identify a surplus from operations in the year of $3,046,386. However, this amount includes both the pension plan and the employee leave and termination benefits. Once these unfunded amounts are backed out of the surplus, the result is a deficit of $52,827.

	2018 Budget	2018 Actual	2017 Actual
Operating Surplus (Deficit)	(1,899,428)	3,046,386	2,717,684
Unfunded items			
(Increase) Decrease in post-employment benefits, Note 12	-	(2,957,000)	(3,161,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	(142,213)	69,256
Adjusted operating surplus (deficit) before the undernoted	-	(52,827)	(374,060)
Tangible Capital Assets - Rent Expense, Note 15	-	(1,919,038)	(1,984,087)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	1,919,038	1,984,087
Adjusted operating surplus (deficit) for the year	$ -	$ (52,827)	$ (374,060)

Erin Griffiths
Chief Executive Officer
Hay River Health and Social Services Authority

Hay River Health & Social Services Authority | Administration des services de santé et des services sociaux de Hay River
37911 MacKenzie Highway | 37911, route MacKenzie
Hay River, NT X0E 0R6

June 29, 2018

Minister Glen Abernethy
Health and Social Services
5015-49th Street
PO Box 1320
Yellowknife, NT X1A 2L9

Dear Minister,

RE: Management Responsibility for Financial Reporting for the year ended March 31, 2018

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) of the Government of the Northwest Territories.

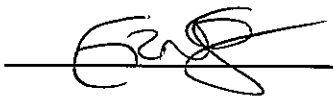
Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Hay River Health Authority have been conducted within the statutory powers of the Health Authority. The operations and administration of the Health Authority as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Health Authority Board. Any noncompliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

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 Health and Social Services of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Hay River Health and Social Services Authority



CEO

ASHTON
Chartered Accountants
Business Advisors

Suite 8 – 6 Courtoreille Street
Hay River, NT X0E 1G2
PH: (867) 874-6775
FX: (867) 874-3775
Email: tashton@ashtonca.com

INDEPENDENT AUDITORS' REPORT

To the Minister of Health and Social Services and
the Chief Executive Officer

Report on the Financial Statements
We have audited the operating fund balance sheet of the Hay River Health & Social Services Authority as at March 31, 2018 and the statements of operations, equity, and changes in financial position for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures of all programs funded through contribution agreements by the Department of Health and Social Services which total $250,000 or more, as listed in Schedule A and A-1.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with the standards set forth by the 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 required 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 in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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 entity'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.

Basis for Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2018 and the results of its operations and cash flow for the year then ended in accordance with the standards set forth by the Public Sector Accounting Board. Furthermore, in our opinion, these statements present fairly, in all material respects, the revenues and expenditures of all programs funded through contribution agreements with the Department of Health and Social Services which total $250,000 or more in Schedule A and A-1 for the year ended March 31, 2018, in accordance with the provisions established by the individual contribution agreements.



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
June 26, 2018

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Financial Position — Statement I

March 31, 2018

	2018	*2017
Financial Assets		
Cash and cash equivalents, Note 4	$ **1,468,825**	$ 908,800
Accounts receivable, Note 7	**511,509**	324,459
Due from Government of Canada, Note 10	**521**	1,660
Trust assets, Note 14	**76,391**	100,579
Pensions asset, Note 12	**12,464,000**	9,507,000
Total Financial Assets	$ **14,521,246**	$ 10,842,498
Liabilities		
Accounts payable and accrued liabilities, Note 9	**1,079,074**	1,616,990
Employee and payroll-related liabilities, Note 9	**1,736,295**	1,505,228
Due to Government of Canada, Note 10	**590**	-
Contributions repayable, Note 26	**2,354,505**	2,007,434
Employee future benefits and compensated absences, Note 13	**1,643,504**	1,785,717
Accountable capital advance, GNWT, Note 28	**5,829**	5,829
Deferred revenue, Note 25	**797,633**	56,633
Trust liabilities, Note 14	**75,051**	100,579
Total Liabilities	**7,692,481**	7,078,410
Net Financial Assets (Debt)	$ **6,828,765**	$ 3,764,088
Non-Financial Assets		
Inventory held for use, Note 8	$ **204,014**	$ 226,013
Prepaid expenses and deposits, Note 27	**272,114**	208,967
Total Non-Financial Assets	$ **476,128**	$ 434,980
Accumulated Surplus (Deficit), Note 29	$ **7,304,893**	$ 4,199,068

* Reclassified for comparative purposes

Contractual obligations, Note 16
Contingent liabilities, Note 17

Approved on behalf of the Authority:

_____ Public Administrator

_____ Chief Executive Officer

_____ Director of Finance

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Operations — Statement II

For the year ended March 31, 2018

	2018 Budget	**2018 Actual**	2017 Actual
Revenue			
Contributions from GNWT, Schedule A	$ 30,670,631	$ **31,778,022**	$ 30,235,106
Recoveries	493,450	**942,874**	965,200
Sales - Patient Revenues	806,120	**765,354**	904,616
Contributions from Other Sources	-	**-**	5,550
Other Income	-	**51,268**	31,502
Interest	30,000	**50,056**	33,232
Total Revenue	32,000,201	**33,587,574**	32,175,206
Expenses			
Administrative and Support Services	9,420,713	**7,068,764**	7,495,577
Nursing Inpatients Services	6,586,703	**5,965,794**	5,594,739
Ambulatory Care Services	5,405,379	**4,937,396**	4,641,529
Diagnostic and Therapeutic Services	2,861,164	**2,933,995**	2,646,200
Community Health Programs	1,922,260	**1,945,097**	1,922,582
Community Social Programs	7,703,410	**7,690,142**	7,156,895
Supplementary Health Programs	-	**-**	-
Undistributed	-	**-**	-
Total Expenses, Note 24	33,899,629	**30,541,188**	29,457,522
Operating Surplus (Deficit)	(1,899,428)	**3,046,386**	2,717,684
Unfunded items			
(Increase) Decrease in post-employment benefits, Note 12	-	**(2,957,000)**	(3,161,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	**(142,213)**	69,256
Adjusted operating surplus (deficit) before the undernoted	-	**(52,827)**	(374,060)
Tangible Capital Assets - Rent Expense, Note 15	-	**(1,919,038)**	(1,984,087)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	**1,919,038**	1,984,087
Adjusted operating surplus (deficit) for the year	$ -	$ **(52,827)**	$ (374,060)
Opening Accumulated Surplus (Deficit)		$ **4,199,068**	$ 1,481,384
Prior year restricted physician funds allocated		**59,439**	-
Operating Surplus (Deficit)		**3,046,386**	2,717,684
Closing Accumulated Surplus (Deficit)		$ **7,304,893**	$ 4,199,068

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Changes in Net Financial Resources — Statement III

For the year ended March 31, 2018

		2018		2017
Annual surplus (deficit)	$	**3,046,386**	$	2,717,684
Adjustments				
Prior year funding received		**59,439**		-
(Increase) decrease in inventory		**21,999**		(55,425)
(Increase) decrease in prepaids and deposits		**(63,147)**		31,439
Increase (Decrease) in net financial assets		**3,064,677**		2,693,698
Net financial resources, beginning of year		**3,764,088**		1,070,390
Net financial resources, end of year	$	**6,828,765**	$	3,764,088

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Cash Flow — Statement IV

For the year ended March 31, 2018

	2018	2017
Operating Activities		
Annual surplus (deficit)	$ **3,046,386**	$ 2,717,684
Add prior year restricted physician funds allocated	**59,439**	-
Items not affecting cash:		
(Increase) Decrease in pensions, Note 12	**(2,957,000)**	(3,161,000)
	(2,957,000)	(3,161,000)
Changes in non-cash assets and liabilities		
Decrease (increase) in due to/from the Government of Canada	**1,729**	(1,660)
Decrease (increase) in accounts receivable	**(187,050)**	9,528
Decrease (increase) in inventory	**21,999**	(55,425)
Decrease (increase) in prepaids	**(63,147)**	31,439
Increase (decrease) in accounts payable and payroll liabilities	**(306,849)**	(107,732)
Increase (decrease) in contributions repayable	**347,071**	759,011
Increase in employee future benefits	**(142,213)**	69,256
Increase (decrease) in capital advances	**-**	-
Increase (decrease) in deferred revenues	**741,000**	(789,197)
Increase (decrease) in trust liability	**(25,528)**	29,698
	387,012	(55,082)
Cash from operations	**535,837**	(498,398)
Financing Activities		
	-	-
Investing Activities		
	-	-
Change in cash during the year	**535,837**	(498,398)
Cash, beginning of year	**1,009,379**	1,507,777
Cash, end of year	$ **1,545,216**	$ 1,009,379
Cash consists of :		
Cash and cash equivalents, Note 4	$ **1,468,825**	$ 908,800
Trust asset, Note 14	**76,391**	100,579
	$ **1,545,216**	$ 1,009,379

Note 1. **Hay River Health & Social Services Authority**

The Hay River Health & Social Services Authority (the "Authority") was incorporated under the Societies Act, and operates under the Hospital Insurance and Health and Social Services Act of the Northwest Territories. The Authority was established on November 1, 2003 to manage, control and operate the public health facilities and services assigned to it by the Government of the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of the Government of the Northwest Territories. Paragraph 149(1)(c) of the Federal Income Tax Act provides that a public body performing a function of government in Canada is exempt from taxation.

Note 2. **Significant Accounting Policies**

Basis of Presentation

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Canadian Public Sector Accounting Board and by the directive of the Government of the Northwest Territories - Department of Health and Social Services (DHSS). Significant aspects of the accounting policies adopted by the Authority are as follows:

The financial statements do not include the assets, liabilities and activities of any organizations that are related to the Authority, such as the Hay River Health and Wellness Foundation.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recorded as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Fund Accounting

The accounts of the Authority are maintained in accordance with fund accounting procedures. The operations of the Authority are segregated for the purpose of carrying on specific activities or attaining certain objectives. Funds established by the Authority are as follows:

Operating Fund - activities associated with the Authority's daily operations.

Employee Leave and Termination Liability Fund - reflecting activities in employee leave and termination benefits combined with any amounts transferred from operations to fund these liabilities. This fund represents liabilities which will be funded in the year they become due through regular annual allocations from the Government of the Northwest Territories (GNWT).

Revenue and Expenditure Recognition

The basis of accounting followed in the financial statement presentation includes revenues 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 estimating is impracticable.

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangement, the Authority is responsible for the net deficit from operations and is allowed to retain surpluses from core programs. Any capital funding not spent may be retained for future capital purchases. These policies do not apply to contribution agreements, where an accounting of and return of surpluses may be required

Note 2. **Significant Accounting Policies (continued)**

Revenue and Expenditure Recognition (continued)

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except for the extent that transfer stipulations gives rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenues 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 eligible criteria have been met and reasonable estimates of the amounts can be determined.

The Authority follows the deferral method of accounting for restricted contributions. These revenues are recognized in the year in which the related expenditures 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.

Expenditures recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and balances within banks, net of outstanding cheques, and are not subject to significant risk of changes in value.

Reserves

The DHSS policy requires the Authority to establish the following reserves:

Surplus Reserve - reflects funds maintained in a reserve according to the DHSS Operations and Maintenance Surplus Retention Policy.

Employee Future Benefit Reserve - the funds received in advance for the severance liability of employees who were transferred to the Authority from the GNWT. These liabilities are reduced as employees are paid out upon termination of employment with the Authority.

Cash Reserve - established for the purpose of assisting with any future short-term cash deficiency. Withdrawals from the reserve will be made only when an insufficient cash balance exists to make necessary payments. Appropriations to this reserve will be done to maintain the $500,000 balance as approved by the GNWT.

The Authority does not have sufficient funds to cover these reserves.

Note 2. **Significant Accounting Policies (continued)**

Tangible Capital Assets

The GNWT retains ownership of all tangible assets (TCA) used by the Authority, or purchased by the Authority (regardless of source of funding for the purchase). The GNWT amortizes TCAs over the estimated useful lives of the assets at the rates established in the Financial Administration Manual of the GNWT over the following terms:

Buildings	40 years
Hardware and Software Systems	5 - 10 Years
Major Medical Equipment	5 - 15 Years
Leasehold Improvements	Lesser of useful life or lease term plus renewal

The TCAs used by the Authority and held on behalf of, or in trust for, the GNWT are not recognized by the Authority in the financial statements.

The statement of operations reflects the Rent Expense amount that would otherwise be considered amortization expense for the fiscal year with an offsetting corresponding amount as a Grant-In-Kind revenue.

Inventories of Supplies

Inventories of supplies include inventory held for use in the process of providing the services of the Authority. Inventories consist of equipment and parts, pharmaceuticals and office supplies, which are distributed to clients at no or nominal charges. Inventory is recorded at the lower of cost and replacement value. Cost is determined on a first-in, first-out basis using average cost.

Employee Future Benefits and Compensated Absences

Under the terms and conditions of employment, health authority employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render services. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides services, whereas parental and maternity leave are event driven and are recognized when the leave commences.

For benefits earned prior to September 1, 1996 but still outstanding, no accrual is made for contingent revenue as described in Note 13. The GNWT portion is reported as a separate unfunded liability on the balance sheet and is also reported in the accumulated deficit in the Leave and Termination Liability Fund. The revenue is expected to be received and recorded in the year that the outstanding liability falls due.

Pensions

Pension benefits to the Retirement Plan for Employees of the Hay River Health and Social Services Authority are reported on an actuarial going concern basis. This is done to determine the current value of future entitlement and uses various estimates. When actual experience varies from estimates or when actuarial assumptions change, the adjustments are amortized on a straight line basis over the estimated average remaining service lives of the contributors. Recognition of actuarial gains and losses commences in the year following the effective date of the related actuarial valuations. In addition, immediate recognition of a previously unrecognized net actuarial gain or loss may be required upon a plan amendment, curtailment or settlement.

The Authority and its contracted physicians make contributions to a physician directed investment fund administered by the Government of Canada. These contributions represent the total pension liability of the Authority and are recognized in the accounts on a current basis.

Note 2. **Significant Accounting Policies (continued)**

Financial Instruments

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

The Authority classifies its financial instruments at cost or amortized cost.

The Authority's accounting policy for this financial instrument category is as follows:

This category includes cash, trust assets, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, capital advances, and trust liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Financial instruments with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized costs and tested for impairment at each reporting date. Any impairments of the financial assets is charged to income in the period in which the impairment is determined. In the event that a previously impaired asset decreases and the decrease can be related to an event that occurred after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations

Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Non-Financial Assets

Non-financial assets are accounted for as assets by the Authority because they can be used to provide government services in futures periods. These assets are not available to discharge existing liabilities. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated change in net financial assets (debt) for the year.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Note 2. **Significant Accounting Policies (continued)**

Segmented Information

The Hay River Health & Social Services Authority segments its operations for financial reporting purposes based upon areas of service type. This information is provided on the statement of operations.

Note 3. **Future Accounting Changes**

Financial Instruments - Section PS 3450

PSAB has implemented changes to Section PS 3450, Financial instruments that outlines offsetting of financial assets and financial liabilities and the valuation of investments to be measured at fair value. These changes are to be applied on a go forward basis for all fiscal years beginning on or after April 1, 2019. The impact of the transition to these changes has not yet been determined.

Note 4. **Cash and Cash Equivalents**

	2018	2017
Cash	$ **1,468,825**	$ 908,800

Note 5. **Special Purpose Funds - Nil Report**

Note 6. **Portfolio Investments - Nil Report**

Note 7. **Accounts Receivable**

	Receivables 2018	AFDA 2018	**Net 2018**	Net 2017
Due from GNWT - HSS	$ 342,165	$ -	$ **342,165**	$ 194,655
Due from GNWT - Finance	13,659	-	**13,659**	16,237
Due from GNWT - Human Resources	14,061	-	**14,061**	-
Due from Government of Nunavut	-	-	**-**	-
Due from WSCC	28,517	-	**28,517**	32,033
Due from NTHSSA	17,550	-	**17,550**	25,116
Hay River Hospital & Wellness Foundation	13,975	-	**13,975**	-
GST rebate receivable	8,548	-	**8,548**	11,937
General accounts receivable	150,575	(77,541)	**73,034**	44,481
	$ 589,050	$ (77,541)	$ **511,509**	$ 324,459

Note 8. **Inventories**

	2018	2017
General	$ **15,130**	$ 19,322
Medical and surgical	**157,711**	175,260
Laboratory	**10,406**	10,750
Pharmaceutical	**20,767**	20,681
	$ **204,014**	$ 226,013

Inventories are held for consumption in the process of providing services and are distributed at no charge or for a nominal fee.

Note 9. **Accounts Payable and Accrued Liabilities**

		2018		2017
Due to GNWT - HSS	$	**29,627**	$	53,571
Due to GNWT - Finance		**33,746**		-
Due to GNWT - Justice		**100**		-
Due to GNWT - Infrastructure		**-**		7,285
Due to NTHSSA		**29,108**		126,971
Due to Government of Nunavut		**-**		-
Due to WSCC		**-**		-
Hay River Hospital & Wellness Foundation		**726**		-
Accounts payable and accrued liabilities		**921,794**		1,358,389
Unspent donations		**18,156**		19,225
Special purpose fund liabilities		**45,817**		51,549
		1,079,074		1,616,990
Payroll liabilities		**1,736,295**		1,505,228
	$	**2,815,369**	$	3,122,218

Note 10. **Due From and To the Government of Canada**

		2018		2017
Receivables				
Projects on behalf of the Government of Canada	$	**-**	$	-
Miscellaneous receivable		**521**		1,660
	$	**521**	$	1,660
Payables				
Advances for projects on behalf of the Government of Canada	$	**-**	$	-
Miscellaneous payables		**590**		-
	$	**590**	$	-

Note 11. **Capital Lease Obligations - Nil Report**

Note 12. **Pensions**

The Authority sponsors a contributory defined benefit pension plan for substantially all of its employees called "Retirement Plan for Employees of the Hay River Health and Social Services Authority". The net value of the plan asset and liability is recorded on the statement of financial position based on the funded status of the plan on a going concern valuation performed by an independent actuary. An actuary valuation is done on an annual basis of January 1 and is extrapolated to March 31 for presentation on the financial statements. The extrapolation assumes that from January 1 to March 31 the plan will follow the pattern from the January 1 valuation exactly, but actual contribution amounts are used.

Employees are required to contribute 8.15% of their pensionable earnings up to the yearly maximum pensionable earnings (YMPE) plus 10.4% of their earnings, if any, in excess of the YMPE. The Authority contributes to the plan 1.79 times the employee portion and provides additional funding when the present value of the obligation under the solvency method exceeds the accumulated assets available to fund the member's benefit entitlements in the plan.

Note 12. **Pensions (continued)**

		2018		2017
Accrued benefit obligation	$	**42,725,000**	$	39,051,000
Market-related value of pension fund assets		**58,385,000**		52,062,000
		(15,660,000)		(13,011,000)
Unamortized actuarial gains / (losses)		**3,196,000**		3,504,000
Pension liability (accrued asset)	$	**(12,464,000)**	$	(9,507,000)

The pension liability (asset) includes the following components:

		2018		2017
Pension liability (accrued asset) - beginning of year	$	**(9,507,000)**	$	(6,346,000)
Cash items:				
Member contributions		**(1,107,000)**		(1,081,000)
Employer contributions		**(3,340,000)**		(3,353,000)
Benefit payments		**(2,873,000)**		(2,071,000)
Drawdown from plan assets		**2,873,000**		2,071,000
Net change to pension liability from cash items		**(4,447,000)**		(4,434,000)
Accrual items:				
Current period benefit cost		**2,673,000**		2,196,000
Amortization of actuarial gains/losses		**(418,000)**		(355,000)
Interest on average accrued benefit obligation		**2,142,000**		1,977,000
Expected earnings on average pension fund assets		**(2,907,000)**		(2,545,000)
		1,490,000		1,273,000
Pension liability (asset) - end of year	$	**(12,464,000)**	$	(9,507,000)

The pension expense is included in the statement of operations as a component of compensation for Corporate HR.

		2018		2017
Pension expense (revenue)	$	**(3,161,000)**	$	(3,161,000)
Expected earnings on plan assets		**6.00%**		6.00%
Actual earnings on plan assets		**14.60%**		6.65%
Difference between actual and expected		**8.60%**		0.65%

Note 12. **Pensions (continued)**

Valuation method and assumptions:

Actuarial valuations for accounting purposes are performed using the projected benefit method prorated on services. The net unamortized actuarial loss is to be amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect the government's best estimates. The significant actuarial assumptions and rates are listed below:

	2018	2017
Date of actuarial valuation	**1-Jan-18**	1-Jan-17
Date of audited financial statements	**31-Mar-18**	31-Mar-17
Date of next valuation	**1-Jan-19**	1-Jan-18
Discount rate	**5.15%**	5.50%
Interest rate on pension fund assets	**5.50%**	5.50%
Interest rate on accrued benefit obligation	**5.50%**	5.50%
Plan administration expenses per annum	**450,000**	450,000
Future inflation	**2.00%**	2.00%
Future compensation increases	**2.50%**	2.50%
Expected average remaining service life (years)	**7.2**	7.0

The asset was valued using an adjusted market value method, which spreads out any variance between the return on investment accrued in the year and the expected return on the investments using the going concern rates as outlined above. Inclusion rates for these variances are 33% of the prior year, 67% of the variance from 2 years prior and 100% of all variances beyond. This assumption allows for a smoothed value of the asset.

The employer funding targets, under the going concern method, is valued using that actuarial cost method, which allows for a more accurate matching of accrued benefits to contributions. The funding target is equal to the present value of the benefit based on employee service years incurred prior to the valuation date and the projected average earnings upon retirement. A deficit results when the market value of the investment is less than the funding target. By law a deficit must be funded over a max of 15 years through special payments, a surplus can be used to pay current employer contributions. There is a plan surplus under the going concern method. Under the solvency method of accounting, it is assumed that all employees that are eligible for the pension plan will cease being members and will be paid out based on their situation as of the valuation date. Under the solvency method there is a plan deficit that is required to be funded in accordance with the requirements of the Pension Benefits Standards Act,1985 with minimum special payments over a 5 year term of $83,417 per month.

Plan amendments:

As at the valuation date, there have been no amendment to the plan since the date of the previous valuation, where the Authority revised the pension plan provisions as follows:

a) To cease offering portability at certain ages - The plan will be amended with effect from January 1, 2018, to cease offering portability for members who are eligible for immediate pension.

Note 13. **Employee Future Benefits and Compensated Absences**

In addition to pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefits plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

Severance benefits are paid to the Hay River Health and Social Services Authority employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using a projection methodology based on the date employees are projected to leave the Authority.

Compensated absence benefits generally accrue as employees render services and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness, and death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actually valued using the expected utilization methodology.

Valuation Results

The actuarial valuation was completed as at March 31, 2018. The effective date of the next actuarial valuation is March 31, 2019. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2018 and the results extrapolated to March 31, 2018. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and Removal	Compensated Absences	**2018**	2017
Change in Obligation				
Accrued benefit obligation, opening	$ (2,491,889)	$ (384,251)	$ **(2,876,140)**	(2,528,178)
Current period benefit costs	(189,169)	(28,690)	**(217,859)**	(198,962)
Interest accrued	(81,068)	(12,476)	**(93,544)**	(80,794)
Benefit payments	301,498	293,137	**594,635**	304,888
Plan amendments	-	-	**-**	-
Actuarial (gains)/losses	215,238	(40,231)	**175,007**	(373,094)
Accrued benefit obligation, closing	(2,245,390)	(172,511)	**(2,417,901)**	(2,876,140)
Unamortized net actuarial gain	361,850	412,547	**774,397**	1,090,423
Net future obligation	(1,883,540)	240,036	**(1,643,504)**	(1,785,717)
Other employee future benefits	-	-	**-**	-
Other compensated absences	-	-	**-**	-
Total employee future benefits and compensated absences	$ (1,883,540)	$ 240,036	$ **(1,643,504)**	$ (1,785,717)
Benefits Expense				
Current period benefit cost	189,169	28,690	**217,859**	198,962
Interest accrued	81,068	12,476	**93,544**	80,794
Plan amendments	-	-	**-**	-
Amortization of actuarial gains	86,098	54,924	**141,022**	94,385
	$ 356,335	$ 96,090	$ **452,425**	$ 374,141

Note 13. **Employee Future Benefits and Compensated Absences (continued)**

The discount rate used to determine the accrued benefit obligation is an average of 3.80%, up from the prior years rate of 3.20% . An inflation rate was applied of 2.0%. The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	**Total**
2019	$ 351,726	$ 27,569	$ **379,295**
2020	402,801	31,479	**434,280**
2021	329,318	26,440	**355,758**
2022	304,491	23,419	**327,910**
2023	243,681	17,849	**261,530**
	$ **1,632,017**	$ **126,756**	$ **1,758,773**

Contingent Revenue

Revenue of $77,970 representing accrued severance and removal for employees on August 31, 1996 and which, in management's view, pursuant to the terms of the transfer agreement on that date between the GNWT and the Town of Hay River, is owed to the Authority by GNWT, has not been recorded in these financial statements. Recognition of this amount is contingent upon GNWT agreeing to payment terms.

Note 14. **Trust Assets and Liabilities**

The amount held in patient trust assets are funds held on behalf of the patients in residential care. The funds, effective May 2017 were retained in a separate bank account of the Authority, but do not belong to the Authority as they are restricted for those patients. The amount in the patient trust liability is equivalent to the balance owed to the residential care patients. The discrepancy between the trust asset and liability are for amounts deposited into the bank account in error.

	2018	2017
Patient Trust Asset	$ **76,391**	$ 100,579
Patient Trust Liability	$ **75,051**	$ 100,579

Note 15. **Services Provided Without Charge**

During the year, the Authority received without charge from the Government various administrative services, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage, actuarial valuations and internal audit services provided by the Department of Finance and use of vehicles, building repairs and utilities by the Department of Public Works.

The Authority also receives from the Government, without any rental charges, the use of facilities and equipment to provide public health and social services. The rental facilities used include the new Hay River Regional Health Center, the HH Williams Memorial Hospital, Woodland Manor, the Adult Supported Living units, the Children's Group Home and Women's Resource Center. Various medical equipment is also provided free of any rental fees. The use of these facilities would have cost the Authority an estimated $1,919,038 ($1,984,087 in 2017) based on the Government's amortization expense for these assets.

Note 16. **Contractual Obligations**

The Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2018.

	Expires in Fiscal Year	2019	2020 and thereafter	Total
Residential	2019	$ 165,850	$ -	$ 165,850
Equipment	2020	71,417	125,276	196,693
Operational	2021	265,598	612,932	878,530
		$ 502,865	$ 738,208	$ 1,241,073

Note 17. **Contingent Liabilities**

In the normal course of business, the Authority is subject to claims and pending and threatened litigation against the Authority and its staff. The Authority is defending actions brought against it and the Authority has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. The allowance is based upon estimates determined by the Authority's management and legal experts experience or case law in similar circumstances.

The Authority's operations are affected by federal, territorial and local laws and regulations regarding Environmental protection. The Authority is committed to meeting these existing laws and regulations. Management is not aware of any material environmental liabilities that resulted during the year.

Note 18. **Budget**

The budget figures are the opening budgets that were approved by the Authority's Public Administrator and the GNWT Department of Health and Social Services. The budget figures are not audited and are intended for information purposes only.

Note 19. **Economic Dependence**

The Authority receives its funding primarily from the GNWT. If the funding arrangements were to change, management is of the opinion that the Authority operations would be significantly affected.

Note 20. **Subsequent Events**

The collective agreement of the union employees of the Authority expired on March 31, 2016. The Authority is currently in barganing with the union, but a final agreement has not yet been signed. There will likely be a liability generated with the signing of the agreement for back-pay owed to employees, but an amount can not be determined at this time, so no liability is reflected in these financial statements.

Note 21. **Comparative Figures**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

Note 22. **Related Party Transactions**

The Authority is related in terms of common ownership to all GNWT created departments and public agencies. The Authority enters into transactions with these entities in the normal course of operations. The Authority is provided various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, internal audit services provided by the Department of Finance and repairs, utilities and facility and equipment rental provided by the Department of Infrastructure.

Note 22. **Related Party Transactions (continued)**

Transactions with related parties and balances at year-end are included in the financial statements, but not disclosed separately other than in this note:

	Accounts Receivables 2018	Allowance for Doubtful Accounts 2018	**Net 2018**	Net 2017
Due from related parties				
Accounts Receivable				
GNWT, Note 7				
Department of HSS	$ 342,165	$ -	$ **342,165**	$ 194,655
Department of Finance	13,659	-	**13,659**	16,237
Department of Human Resources	14,061	-	**14,061**	-
	369,885	-	**369,885**	210,892
NTHSSA - HQ, Note 7	11,807	-	**11,807**	-
Fort Smith Health Centre	68	-	**68**	3,827
Stanton Territorial Health Authority	-	-	**-**	816
DehCho HSSA	3,040	-	**3,040**	20,473
Yellowknife/Fort Resolution HSSA	2,635	-	**2,635**	-
	$ 387,435	$ -	$ **387,435**	$ 236,008

	2018	2017
Due to related parties		
Accounts Payable:		
GNWT, Note 9		
Department of HSS	$ **29,627**	$ 53,571
Department of Finance	**33,746**	-
Department of Justice	**100**	-
Department of Infrastructure	**-**	7,285
	63,473	60,856
NTHSSA, Note 9		
Yellowknife HSSA	**17,442**	33,171
Fort Smith HSSA	**1,103**	-
Stanton Territorial Health Authority	**10,563**	93,800
	$ **92,581**	$ 187,827
Contributions repayable, GNWT-HSSA, Note 26	**2,353,808**	2,006,737
Accountable capital advances, GNWT-HSSA, Note 28	**5,829**	5,829
Deferred revenues, GNWT-HSSA, Note 25	**797,633**	56,633
	$ **3,249,851**	$ 2,257,026

Note 22. **Related Party Transactions (continued)**

	2018	2017
Revenues		
GNWT		
Department of Health & Social Services	$ **32,205,053**	$ 31,049,716
Department of Education, Culture & Employment	**-**	20,211
Department of Finance	**27,929**	-
Department of Human Resources	**13,143**	16,237
Department of Infrastructure	**-**	412
	32,246,125	31,086,576
NTHSSA - HQ	**30,370**	-
DehCho HSSA	**10,677**	32,292
Fort Smith Health Centre	**611**	7,424
Sahtu HSSA	**-**	1,465
Beaufort-Delta HSSA	**-**	911
Stanton Territorial Health Authority	**3,436**	816
Yellowknife HSSA	**7,472**	426
Tlicho Community Services Agency (Tlicho)	**3,203**	21,044
NWT Housing Corp.	**160**	26
	$ **32,302,054**	$ 31,150,980

	2018	2017
Expenses		
GNWT		
Department of Health & Social Services	$ **12,517**	$ 6,421
Department of Human Resources	**-**	1,671
Department of Infrastructure	**2,709**	17,122
Department of Justice	**410**	-
	15,636	25,214
NTHSSA		
Stanton Territorial Health Authority	**196,507**	183,230
Yellowknife HSSA	**76,078**	33,171
Beaufort Delta HSSA	**4,484**	-
Fort Smith HSSA	**1,103**	-
Aurora College	**150**	250
Hay River DEA	**-**	382
	$ **293,958**	$ 242,247

Related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Note 23. **Financial Instruments**

The Authority is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risk from the Authority's financial instruments by type of risk is provided below:

Note 23. **Financial Instruments (continued)**

Credit Risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments of interest and principal when due. The Authority is exposed to this risk relating to its, cash, special purpose funds, trust assets and accounts receivable.

The Authority holds its cash and trust assets, deposits in trust accounts, with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well as policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables. These amounts are as disclosed in Notes 4, 7 and 14.

The Authority's maximum exposure to credit risk is represented by the financial assets less the pension plan asset for a total of $1,802,246 (2017 - $1,335,498)

Concentration of Credit Risk

Concentration risk arises when a customer has more than ten percent of the total accounts receivable, which increases the Authority's risk in the event the customer does not fulfill their obligation. The Authority does have concentration risk. At March 31, 2018, one customer in accounts receivable accounts for 51% (2017 - 71%) of the total balance which subjects the Authority to concentration risk. This risk is monitored through regular review of the outstanding balances in receivables.

As all the Authority's cash is held in one Canadian bank, they are subject to further concentration risk.

Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise. Total financial assets are $14,266,246, including the $12,464,000 pension asset; financial liabilities are $7,542,481. The authority has disclosed future financial liabilities and commitments in Notes 13, 16 and 17.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

Note 24. **Expenses by Object**

	2018 Budget	**2018 Actual**	2017 Actual
Compensation	$ 27,261,553	$ **23,140,018**	$ 23,196,420
Locums	1,158,178	**1,716,510**	1,527,304
Medical supplies	1,217,128	**1,034,410**	950,475
Referred out services	701,901	**1,135,849**	677,624
Purchases service personnel	600,500	**644,716**	592,223
Equipment maintenance	425,724	**455,338**	282,325
Travel assistance	262,000	**402,015**	322,229
Foster care	432,000	**243,756**	289,103
Phone and postage	243,922	**234,326**	225,307
Rent	245,817	**228,312**	250,976
Professional fees	206,200	**219,901**	126,002
Locum removal	208,347	**193,669**	179,186
Office supplies	166,733	**190,045**	164,924
Travel	137,136	**169,231**	168,818
Minor equipment	127,700	**150,032**	180,125
Training	144,270	**137,199**	59,102
Software licensing	193,174	**103,522**	95,577
Honorariums	54,000	**52,608**	59,423
Garbage	27,030	**30,925**	24,953
Memberships	42,203	**23,302**	30,607
Advertising	38,850	**23,242**	20,387
Bank charges	5,263	**7,634**	7,419
Bad debt	-	**4,628**	27,013
	$ 33,899,629	**$ 30,541,188**	$ 29,457,522

Note 25. **Deferred Revenue**

Deferred revenue represents funds that have been received for specific programs but remain unspent at March 31, 2018 as follows:

	2018	2017
Government of the Northwest Territories		
Department of Health and Social Services		
Professional Development Initiative	$ **56,633**	$ 56,633
Transitional funding (core contribution)	**-**	-
2018/2019 Core funding received in advance	**741,000**	-
Third party - respite care	**-**	-
	$ **797,633**	$ 56,633

Note 26. **Contributions Repayable**

Contributions repayable represents funds that have been received for specific programs and are required to be repaid to the contributor as of March 31, 2018:

		2018		2017
Government of the Northwest Territories				
Department of Health and Social Services				
Family Support Program 11/12	$	**9,000**	$	9,000
Homecare Enhancement 11/12		**10,957**		10,957
Core Physician Services Funding 11/12		**652,027**		652,027
Core Physician Services Funding 12/13		**532,335**		532,335
Homecare Enhancement 13/14		**297**		297
Grad Placement Program K. Miller 13/14		**8,064**		8,064
Healthy Families/Collective Kitchen unspent funding 14/15		**1,006**		1,006
Healthy Families/Collective Kitchen unspent funding 15/16		**3,570**		3,570
Enhanced Homecare unspent funding 16/17		**45,027**		45,027
Hay River Parenting unspent funding 16/17		**4,871**		4,871
Renal Dialysis unspent restricted funding 16/17		**125,237**		125,237
Foster Care unspent restricted funding 16/17		**166,346**		166,346
Transitional unspent funding 16/17		**448,000**		448,000
Mental Health First Aide 16/17		**479**		-
Mental Health First Aide 17/18		**1,113**		-
Healthy Families/Collective Kitchen unspent funding 17/18		**1,102**		-
Enhanced Homecare unspent funding 17/18		**31,238**		-
Foster Care unspent restricted funding 17/18		**205,705**		-
Transitional unspent funding - HH Williams 17/18		**49,314**		-
Transitional unspent funding - New Health Center 17/18		**58,120**		-
		2,353,808		2,006,737
Hay River Metis Government Council				
Living in Balance unspent funding 16/17		**697**		697
	$	**2,354,505**	$	2,007,434

Note 27. **Prepaid Expenses and Deposits**

		2018		2017
Service and maintenance packages	$	**140,156**	$	169,510
Pension special payments		**108,499**		28,251
Travel		**21,459**		9,206
Deposit		**2,000**		2,000
	$	**272,114**	$	208,967

Note 28. **Accountable Capital Advances from GNWT**

The Authority has received advances from GNWT under capital contribution agreements for purchases of capital assets. These advances are deferred by the Authority and purchases which fall under the agreements, reduce the balance carried forward.

		2018		2017
Beginning balance	$	**5,829**	$	5,829
Capital purchases paid out of advanced funds		**-**		-
Ending balance	$	**5,829**	$	5,829

Note 29. **Accumulated Surplus (Deficit)**

		2018		2017
Operating fund accumulated surplus (deficit)	$	**8,448,397**	$	5,484,785
Employee leave and termination liability fund		**(1,643,504)**		(1,785,717)
Cash Reserve		**500,000**		500,000
	$	**7,304,893**	$	4,199,068

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Contributions from the GNWT Schedule A

For the year ended March 31, 2018

	2018 Budget	**2018 Actual**	2017 Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core Contribution Department of Health			
Administration	$ 783,000	$ **1,742,000**	$ 1,740,000
Finance	388,000	**388,000**	502,000
Systems Support	477,000	**482,000**	420,000
Human Resources	1,278,000	**1,278,000**	1,278,000
Facility Maintenance & Support	4,061,000	**4,061,000**	3,923,000
Client Support Services	391,000	**391,000**	391,000
Specialty Clinics	861,000	**843,000**	730,000
Emergency Services	1,783,000	**1,783,000**	1,368,000
Community Clinics & Health Centres	1,991,000	**1,991,000**	2,142,000
Community Mental Health & Addictions	805,000	**805,000**	805,000
Health Promotion & Community Wellness	310,000	**310,000**	310,000
Homecare & Support Services	625,000	**780,000**	625,000
Physician Services to NWT Residents	2,998,000	**2,998,000**	2,998,000
Residential Care Adults	4,411,000	**4,411,000**	4,411,000
Child & Family Services	1,483,000	**1,483,000**	1,355,000
Family Violence	560,000	**560,000**	533,000
Diagnostic Services	1,768,000	**1,768,000**	1,782,000
Pharmacy	191,000	**191,000**	191,000
Therapeutic Services	870,000	**870,000**	870,000
Medical & Surgical Nursing	2,216,000	**2,216,000**	2,092,000
Operating Room Nurse	244,000	**244,000**	209,000
Long Term Care Nursing	1,308,000	**1,308,000**	1,146,000
Obstetric and Pediatric Nursing	500,000	**500,000**	500,000
Medical Travel	22,000	**22,000**	22,000
	30,324,000	**31,425,000**	30,343,000
Add: additional funding for Renal Dialysis	-	**255,000**	-
Less net contributions repayable/deferred	-	**(271,139)**	(488,583)
	30,324,000	**31,408,861**	29,854,417
Other Department of Health and Social Services Contributions			
Home and Community Care (Schedule A-1)	325,731	**287,563**	295,704
Health Families	-	**19,735**	-
Collective Kitchens Food Vouchers	-	**19,058**	16,167
Prenatal/Postnatal Parenting	-	**18,952**	25,129
Children Who Witness Abuse	12,500	**12,500**	12,500
Mental Health First Aid	-	**1,204**	3,709
Applied Suicide Intervention Skills Training	-	**2,067**	3,139
Electronic Medical Records - Implementation	-	**-**	-
Northern Graduate Employment Program	-	**-**	-
	338,231	**361,079**	356,348
Total Department of Health	30,662,231	**31,769,940**	30,210,765
GNWT Department of Human Resources	8,400	**8,082**	24,341
Total Contribution from the GNWT	$ 30,670,631	$ **31,778,022**	$ 30,235,106

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Detailed Contribution Funding and Expenditures
Home and Community Care
PO-2661am3
For the year ended March 31, 2018

Schedule A-1

	2018 Actual	2017 Actual
Funding		
Government of the Northwest Territories		
Department of Health and Social Services	$ **359,010**	$ 340,731
less funds not yet received	**(40,208)**	
less contributions repayable	**(31,239)**	(45,027)
	287,563	295,704
Expenditures		
Compensation and benefits	**241,304**	260,764
Supplies	**12,609**	12,260
Sundry	**2,262**	5,171
Equipment expense	**7,001**	3,932
Training	**24,387**	13,577
	287,563	295,704
	$ **-**	$ -

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Reserves

Schedule B

For the year ended March 31, 2018

	Leave and Termination Benefits Reserve		Cash Reserve		Total Reserves	
	2018	2017	**2018**	2017	**2018**	2017
Balance, beginning of the year	$ **(1,785,717)**	$ (1,716,461)	$ **500,000**	$ 500,000	$ **(1,285,717)**	$ (1,216,461)
Change to opening balances		-			**-**	-
(Increase) Decrease in employee leave and termination benefits, Note 16	**142,213**	(69,256)	**-**	-	**142,213**	(69,256)
Transfers between reserves	**-**	-	**-**	-	**-**	-
Balance, end of year	$ **(1,643,504)**	$ (1,785,717)	$ **500,000**	$ 500,000	$ **(1,143,504)**	$ (1,285,717)

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Financial Statements

March 31, 2018

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

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NORTHWEST TERRITORIES
Health and Social Services Authority

Management Discussion and Analysis

Introduction

In preparation for the 2017-2018 year-end financial statement, the Management Discussion and Analysis was prepared as part of the process to demonstrate the core value of transparency and accountability of both the Northwest Territories Health and Social Services Authority (NTHSSA) management and the Northwest Territories Leadership Council (Leadership Council).

As an agency of the Government of the Northwest Territories (GNWT), the NTHSSA is established under the *Hospital Insurance and Health and Social Services Administration Act*. The NTHSSA is responsible to the Minister of Health and Social Services for governing, managing and providing health and social services in accordance with the territorial plan set out by the Minister; specifically with a role to:

- plan, develop and deliver programs and services;
- ensure operational policies, guidelines and standards of care are within the context of legislation, regulation and Department of Health and Social Services policies;
- provide budget development, funding allocation, monitoring and financial reporting;
- provide quality and risk management;
- ensure recruitment, supervision and retention of professional staff;
- ensure staff training and professional development; and
- report and be accountable in accordance with legislation, regulations and agreements.

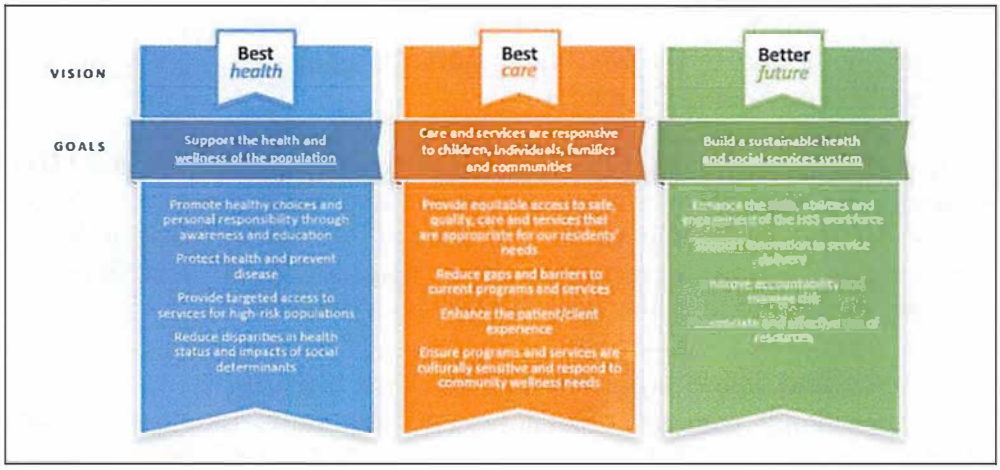
The staff, management, leadership and operations of the former Health and Social Services Authorities were combined on August 1, 2016, with the purpose to improve the efficiency, effectiveness and consistency of health and social care program and service delivery to the residents of the NWT. The newly created NTHSSA has the responsibility for delivering health and social services in the Beaufort Delta, Dehcho, Fort Smith, Sahtu and Yellowknife regions of the NWT while also being responsible for the operation of the Stanton Territorial Hospital.

2017-18 marked the first full year of operations within the newly established NTHSSA. As such, the Authority continues to identify, monitor and improve its operations with a

Northwest Territories Health and Social Services Authority
Box 1320, Yellowknife, NT
X1A 2L9

focus on aligning and contributing to the NWT Health and Social Services System Strategic Plan (System Strategic Plan) vision and goals.

The NTHSSA operates under the vision statement and goals of the System Strategic Plan which has steered the direction of the NTHSSA over the past fiscal year:



The Leadership Council is the board of management for the NTHSSA. The Leadership Council developes a clear direction for the NTHSSA, ensures the NTHSSA is accountable and positioned to achieve sustained results and supports the NTHSSA to achieve its legislative mandate to:

- deliver health services, social services, and health and wellness promotional activities within the NWT;
- manage, control and operate each health and social services facility for which the NTHSSA is responsible; and
- manage the financial, human and other resources necessary to perform the NTHSSA's duties.

The Leadership Council is accountable to the Minister of Health and Social Services and provides advice to the Minister on strategic directions for particular health and social services and programs related to those services.

The Leadership Council is made up of nine (9) members; a Chairperson as appointed by the Minister, the chairperson of each Regional Wellness Council (6); the chairperson of the Tłı̨chǫ Community Services Agency; and the Deputy Minister of the Department

of Health and Social Services (ex-officio and non-voting).

Each of the regions comprising the NTHSSA has a Regional Wellness Council (RWC) that act as advisory bodies to gather information from communities and residents, provide feedback to the NWT Health and Social Services System and promote activities that support service delivery for the health and well-being of patients, clients, and families.

The 2017-18 Leadership Council included:

Chairperson: Mr. James Antoine
Vice-Chairperson: Ms. Ethel-Jean Gruben (Chair, Beaufort-Delta RWC)
Member: Ms. Patricia Schaefer (Chair, Fort Smith RWC)
Member: Mr. Michael Maher (Chair, Hay River RWC)
Member: Ms. Gina Dolphus (Chair, Sahtu RWC)
Member: Mr. Ted Blondin (Chair, TCSA)
Member: Ms. Ruby Simba (Chair, Dehcho RWC)
Member: Ms. Elizabeth Biscaye (Chair, Yellowknife RWC)
Ex-officio and non-voting Member: Ms. Debbie DeLancey/Mr. Bruce Cooper (Deputy Minister, DHSS)

Through the NTHSSA's CEO, operational and financial reporting is provided to the Leadership Council at regularly scheduled Leadership Council meetings.

The NTHSSA is organized under five executive branches:



The Office of the CEO inludes the Office of the Territorial Medical Director, Office of the Chief Financial Officer, and the Talent and Organizational Development Office. The

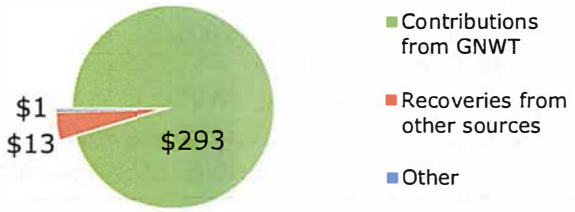
Corporate and Support Services branch includes patient movement, communications and informatics and health technology functions. The Clinical Integration branch provides territorial oversight and support for quality, safety and client experience, health services and child, family and community wellness. Regional Operational Branches (Beaufort Delta, Sahtu, Dehcho, Fort Smith, Yellowknife) and Stanton Territorial Hospital provide front line program and service delivery.

Financial Overview

NTHSSA's overall revenue and expenses are summarized in the following 2018 charts:

Revenue (millions)

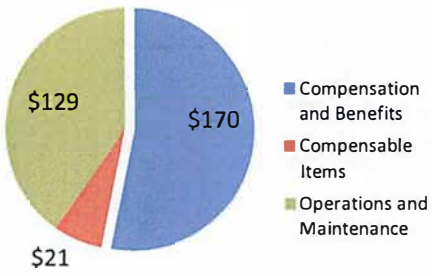
Total revenue = $307 Million



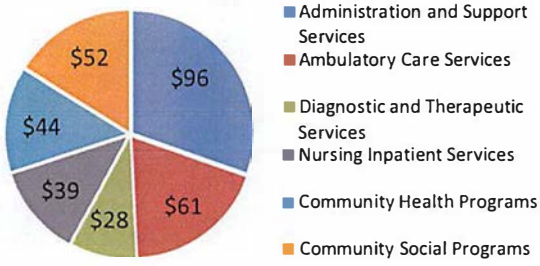
Expenses (millions)

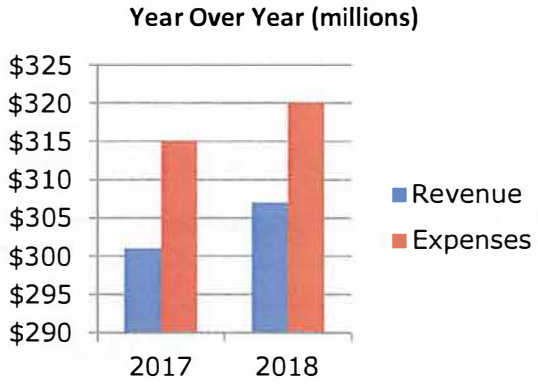
Total expenses = $320 Million

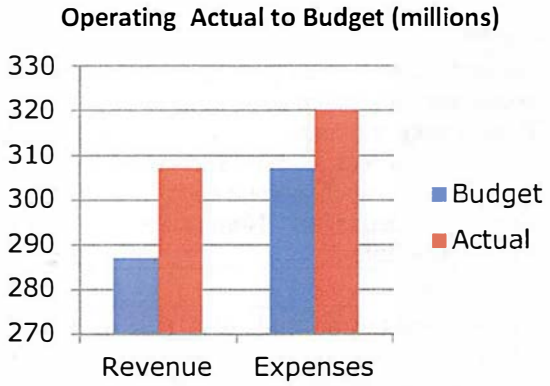
Expense by Object



Expense by Program







Actual revenue was approximately $20 million higher than budgeted due predominately to higher than anticipated contributions from the GNWT, including grant-in-kind. Actual expenses were approximately $13 million higher than budgeted, stemming largely from an increase in demand for nursing inpatient services and administration and support services.

NTHSSA remains committed to meeting their operational mandate and expected service levels; notwithstanding, significant pressure on fiscal resources that exist within the NTHSSA has resulted in a deficit of $12.7 million for 2017-2018.

Operating Environment

The NTHSSA provides health and social services across a vast geographical area of the NWT; from the remote high Arctic communities of Paulatuk, Ulukhaktok and Sachs Habour to the southern NWT/Alberta border community of Fort Smith. Delivering the NTHSSA mandate to such a large geographic area requires well-defined systems, a robust logistical support network, as well as a team of committed staff who are dedicated to ensuring quality health and social services are provided to all NWT residents. The newly established NTHSSA continues to provide an opportunity to refine and improve patient and client care by ensuring equitable access to care and services across all NTHSSA regions and ensuring regions and communities have a voice at the territorial level.

In the review of the operating landscape for the NTHSSA, a few strengths, weaknesses, opportunities and threats have been identified in the table below:

Strengths	Weaknesses
• Capacity to standardize systems and processes with a territorial focus • Pooled access to professional staff and knowledge across six NTHSSA regions • New Facilities such as renewal of Stanton Territorial Hospital and Norman Wells Long-Term Care	• Sustainable Human Resources • Communications • Extensive use of overtime and locums to meet service requirements • Lack of single financial accounting system
Opportunities	**Threats/Risks**
• Professional accreditation of NTHSSA regions • Scaling quality improvement initiatives across NWT regional operations • Pool resources to expand purchasing power	• Funding deficit • Aging population requiring increased level of care/service • Competitive job market for health care professionals • Vast geographical area of the NWT

Building on Strengths

Organization wide improvements continue to be identified and pursued to ensure the NTHSSA delivers quality programs and services that are consistent and accessible across all regions. The continued development of NTHSSA leadership, management and quality improvement structures will assist the ability of the of the NTHSSA to identify areas of focus and mobilize towards quality improvement initiatives.

The NTHSSA continues to develop and improve protocols and capacity that facilitate employees' ability to provide services across NTHSSA regions when necessary or to back-fill short term vacancies, enhancing the quality of care and services delivered. Trained and knowledgeable staff are willing to share information and work in locations where temporary short-term assistance is required.

The redevelopment of the Stanton Territoral Hospital, set to open in May 2019, will better position the NTHSSA to attract and develop organizational talent improving the Authority's ability to support and sustain quality care.

Addressing Weaknesses

The NTHSSA will leverage the GNWT programs that support the NTHSSA's committment to improving the ability to recruit, retain and develop a local workforce across the NWT.

NTHSSA leadership is acutely aware of the continuing need to nurture and cultivate open and effective communication practices across the organization and to the public at large. In this regard, NTHSSA leadership is focused on the continuing enhancement of both internal and external communication protocols which include the development of the internal staff NTHSSA website that enables direct communications to all staff, across all facilities and regions.

NTHSSA leadership remains cognizant of the staffing levels that are currently required to meet service level demands and the resultant fiscal pressures. NTHSSA leadership is reviewing core service requirements, current position allocations and quality improvements with the goal of implementing changes that would maintain or improve the level of care and service delivery while effectively managing and minimizing additional overtime and travel requirements.

Capturing Opportunities

In 2017, the NTHSSA went through a preliminary accreditation process with Accreditation Canada, including regions not previously accredited. This process has provided the NTHSSA with the foundation to work through the full Accreditation Canada survey which will occur in 2019. The accreditation process will underpin improved quality andsafety of programs and services.

The NTHSSA has identified many areas where pooled resources can increase our capacity to deliver effective services. Pooled resources in the financial areas are currently being explored to provide the NTHSSA with additional vendors and improved pricing.

Mitigating Risks

The NTHSSA recognizes that providing culturally appropriate care is necessary to improve better health outcomes.The NTHSSA is currently exploring options to address and improve primary care across the NWT that can become more culturally safe and will decrease the demand on the existing system. The NTHSSA is collaborating with HSS system partners and stakeholders to guide this work.

NTHSSA is committed to delivering the operational mandate in a manner respectful of the fiscal environment of the GNWT. The newly established NTHSSA continues to

provide opportunities to realign services and care across the five regions and the Territorial Hosptial that will improve health outcomes for patients, clients and families; improve patient and client experience and improve organizational performance by reducing overall costs.

The NTHSSA also recognizes that the health and social care professionals are in high demand across Canada and will continue to work with both internal and external resources to expand health and human resource plans to improve efforts to attract and retain qualified employees.

Financial Condition

As at March 31, 2018 NTHSSA incurred an operating deficit of $12.7 million, which was $6.3 million less than the budgeted operating deficit of $19 million. This increased NTHSSA's accumulated deficit to $88.8 million. For a detailed review of NTHSSA's financial condition, refer to the Statement of Financial Position and Statement of Operations and Accumulated Deficit.

	2018 Actual	2017 Actual
Accumulated (deficit) closing	(88,791,000)	(76,123,000)
Accumulated (deficit) opening	(76,123,000)	(61,947,000)
Annual (deficit)	(12,668,000)	(14,176,000)
Prior year funding received	1,619,000	127,000
Recovery of prior year expenses -	-	1,603,000
Employee future benefits reserve	131,000	131,000
Unfunded items - Employee future benefit liability	11,525,000	13,369,000
Change in Employee future benefit	(1,844,000)	(376,000)

Compensation and benefits represent 60% of NTHSSA's overall expenses and is a contributing factor to NTHSSA accumulated deficit. Some of the key factors in this area relates to staffing models, overtime, sick time and unfunded items within the Collective Agreement between the Union of Northern Workers and the GNWT.

Summary and Outlook

The 2017-2018 fiscal year represented the first full year of operations for the NTHSSA. The focus continues to be on developing the organizational architectural and ensuring

NORTHWEST TERRITORIES
Health and Social Services Authority

core service stabilization while aligning with the HSS System's strategic plan, and the continued provision of quality care and services. 2017-18 identified areas where efficiencies could be established and the organization has now turned to the implementation and sustainability of these identified areas which can lead to improving care and service delivery.

NTHSSA's future focus will be on building an organization that encourages team and relationship based care that is centered around an engaged workforce. Improving quality within the system is a responsibility held by all NTHSSA staff and is supported by the feedback and direction from listening to our patient/clients and communities. Investment in the enablers for improvement in internal processes and client experience will lead to better health and a better future for all NWT residents.



CEO

August 28, 2018

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Management's Responsibility for Financial Reporting

The accompanying financial statements were prepared by management in accordance with Canadian public sector accounting standards (PSAS). Where PSAS permits alternative accounting methods, management has chosen those it deems most appropriate in the circumstances. A summary of significant accounting policies are described in Note 3 to the financial statements. Financial statements include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects. Management has prepared financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the financial statements.

The Northwest Territories Health and Social Services Authority (the Authority) maintains financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis, that assets are acquired economically, are used to further the Authority's objectives, are protected from loss or unauthorized use and that the Authority complies with applicable legislation. Management recognizes its responsibility for conducting the Authority's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to an agent of the Territorial Government. An internal auditor reviews the operation of financial and management systems to promote compliance and to identify changing requirements or needed improvements.

The Auditor General of Canada provides an independent, objective audit for the purpose of expressing his opinion on the financial statements. He also considers whether the transactions that come to his notice in the course of the audit are, in all significant respects, in accordance with the specified legislation.

The financial statements have been approved by the Northwest Territories Health and Social Services Leadership Council (Leadership Council).

Sue Cullen
Chief Executive Officer

Tamara Soong, CPA, CGA
Territorial Director of Finance

28 August 2018

Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for the Northwest Territories Health and Social Services Authority

Report on the Financial Statements

I have audited the accompanying financial statements of the Northwest Territories Health and Social Services Authority, which comprise the statement of financial position as at 31 March 2018, and the statement of operations and accumulated deficit, statement of changes in net debt and statement of cash flow 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 entity's preparation and fair presentation 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 entity'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Northwest Territories Health and Social Services Authority as at 31 March 2018, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the financial statements which indicates that the Authority incurred an annual deficit of $12.7 million during the year ended 31 March 2018 and, as of that date, the Authority's liabilities exceeded its total assets by $88.8 million. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Authority's ability to continue as a going concern.

David Irving

David Irving, CPA, CA
Principal
for the Auditor General of Canada

28 August 2018
Edmonton, Canada

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Financial Position

As at March 31,	thousands of dollars 2018	2017
Financial Assets		
Cash	$ 9,248	$ 4,539
Accounts receivable (note 6)	10,422	7,791
Due from Government of the Northwest Territories (note 7)	13,297	8,889
Due from Government of Canada	424	302
	33,391	21,521
Liabilities		
Accounts payable and accrued liabilities (note 8)	17,649	16,666
Due to Government of the Northwest Territories (note 7)	96,877	71,635
Due to Government of Canada	16	1
Other employee future benefits and compensated absences (note 10)	11,525	13,369
	126,067	101,671
Net Debt	(92,676)	(80,150)
Non-Financial Assets		
Inventories held for use	2,735	2,840
Prepaid expenses	1,150	1,187
	3,885	4,027
Accumulated Deficit	$ (88,791)	$ (76,123)

Contractual Obligations and Contingencies (notes 13 and 14)

Approved on behalf of the Authority

Jim Antoine
Leadership Council
Board Chairperson

Michael Maher
Leadership Council
Board Member

The accompanying notes are an integral part of these financial statements.

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Operations and Accumulated Deficit

For the year ended March 31,	thousands of dollars 2018		2017
	Budget	Actual	Actual
Revenue			
Recoveries from other sources	$ 9,526	$ 10,622	$ 8,477
Recoveries from Nunavut	2,485	2,288	2,764
Contributions from other sources	808	926	899
Interest income	167	215	138
Other income	102	122	888
Recoveries of prior years' expenses	-	-	1,603
Total Revenue	13,088	14,173	14,769
Expenses (note 18)			
Administration and support services	91,637	96,581	94,007
Ambulatory care services	62,628	61,497	60,438
Community social programs	51,896	51,717	53,272
Community health programs	41,642	43,806	41,732
Nursing inpatient services	32,874	38,733	37,730
Diagnostic and therapeutic services	25,849	27,825	27,695
Total Expenses	306,526	320,159	314,874
Deficit for the year before Government contributions	(293,438)	(305,986)	(300,105)
Government contributions			
Contributions from Government of the Northwest Territories	244,773	250,186	244,402
Recoveries from Government of the Northwest Territories	18,741	20,674	20,861
Recoveries - non insured health services	10,885	12,705	12,935
Recoveries of prior years' expenses	-	1,619	127
Grant-in-kind - Government assets and services provided at no charge (note 12)	-	8,134	7,604
Total Government contributions	274,399	293,318	285,929
Annual deficit	(19,039)	(12,668)	(14,176)
Accumulated deficit, beginning of year	(76,123)	(76,123)	(61,947)
Accumulated deficit, end of year	$ (95,162)	$ (88,791)	$ (76,123)

The accompanying notes are an integral part of these financial statements.

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Changes in Net Debt

For the year ended March 31,	thousands of dollars 2018		2017
	Budget	Actual	Actual
Annual deficit for the year	$ (19,039)	$ (12,668)	$ (14,176)
Adjustments			
Acquisition of inventories held for use	-	(5,959)	(6,578)
Consumption of inventories held for use	-	6,064	6,565
Acquisition of prepaid expenses	-	(1,379)	(1,388)
Use of prepaid expenses	-	1,416	1,363
Change in net debt for the year	(19,039)	(12,526)	(14,214)
Net debt, beginning of year	(80,150)	(80,150)	(65,936)
Net debt, end of year	$ (99,189)	$ (92,676)	$ (80,150)

The accompanying notes are an integral part of these financial statements.

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Cash Flow

For the year ended March 31,	thousands of dollars 2018	2017
Cash provided by (used in)		
Operating transactions		
Operating deficit	$ (12,668)	$ (14,176)
Changes in non-cash assets and liabilities:		
Change in accounts receivable	(2,631)	(745)
Change in accounts payable and accrued liabilities	983	187
Net change in due to/(from) Government of Northwest Territories	20,834	9,655
Change in other employee future benefits and compensated absences	(1,844)	(376)
Net change in due to/(from) Government of Canada	(107)	20
Change in inventories held for use	105	(13)
Change in prepaid expenses	37	(26)
Cash provided by (used for) operating transactions	4,709	(5,474)
Increase / (decrease) in cash	4,709	(5,474)
Cash, beginning of year	4,539	10,013
Cash, end of year	$ 9,248	$ 4,539

There were no financing, investing or capital transactions during the year.

The accompanying notes are an integral part of these financial statements.

1. Going concern

These financial statements have been prepared on the going concern basis in accordance with Canadian public sector accounting standards. The going concern basis of presentation assumes that Northwest Territories Health and Social Services Authority (the Authority) will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Authority, established on August 1, 2016 amalgamates six former health boards (Note 2), which had significant annual and accumulated deficits in prior years as their funding has historically been insufficient for their level of expenditures. The Authority is primarily financed through appropriations from the Department of Health and Social Services (DHSS) as described in Note 2, Economic dependence. For the year ended March 31, 2018, the Authority had an annual deficit of $12,668, accumulated deficit of $88,791, liabilities of $126,067 (including $96,877 liability to the Government of the Northwest Territories (the "Government"), which is due upon demand) and total financial assets of only $33,391. The Government administers payroll for the Authority, and invoices the Authority for payment. The Authority has deferred repaying the Government so that operations can continue.

The above factors cause material uncertainty that may cast significant doubt about the Authority's ability to continue as a going concern. The Authority is currently in discussions with the Government to develop a plan to eliminate its annual deficits and repay its liability to the Government.

These financial statements do not include any adjustments to the carrying value of the assets and liabilities, the reported revenues and expenses that might be necessary if the Government does not increase its' appropriations so that revenues are sufficient to meet expenditure requirements.

2. Authority and operations

The Authority operates pursuant to the Hospital Insurance and Health and Social Services Administration Act (the Act) of the Northwest Territories and is an agency under Schedule A of the Financial Administration Act (FAA) of the Northwest Territories. Accordingly, the Authority operates in accordance with its Act and regulations, and any directives issued to it by the Minister responsible for the Authority.

The Authority was established on August 1, 2016 to manage, control, and operate the public health facilities and services assigned to it by the Government. When the Authority was created, six of the eight Health and Social Services Authorities (HSSAs) were amalgamated under the Authority, and are no longer separate legal authorities. The reporting entity comprises the newly created Authority and the operations from six former HSSAs including Beaufort-Delta, Dehcho, Fort Smith, Sahtu, Yellowknife and Stanton Territorial Hospital.

Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) remain outside the Authority; however, the legislation does include provisions to bring the HRHSSA into the Authority at a later date. The Authority serves as a single integrated delivery system for Northwest Territories health and social service programs while recognizing that the TCSA retains an unique role through the provisions of the Tlicho Agreement. Through the Chief Executive Officer, the Authority reports to and takes direction from the Chair of Northwest Territories Health and Social Services Leadership Council (Leadership Council) that is comprised of eight persons appointed in accordance with the Act.

Taxes

The Authority is exempt from taxation pursuant to Paragraph 149 of the federal *Income Tax Act*.

Budget

The budgeted figures represent the Authority's original fiscal plan for the year approved by the Leadership Council and the Government. To be consistent with the format of the financial statements, presentation changes have been applied as disclosed in note 17.

2. Authority and operations (continued)

Economic dependence

The Authority is economically dependent upon the contributions received from the Government and for the Government's payments on behalf of the Authority for the Authority's salaries for its ongoing operations. If the funding arrangement were to change, management is of the opinion that the Authority's operations would be significantly affected.

3. Basis of presentation and significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian public sector accounting standards as issued by the Canadian Public Sector Accounting Board. Significant aspects of the accounting policies adopted by the Authority are as follows:

(a) Measurement uncertainty

The preparation of these financial statements in accordance with Canadian public sector accounting standards, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes. By their nature, these estimates are subject to measurement uncertainty. Actual results could differ significantly from these estimates.

The more significant estimate relates to contingencies.

(b) Cash

Cash is comprised of bank account balances, net of outstanding cheques.

(c) Tangible capital assets

The Government retains ownership of all tangible capital assets (TCA) used by the Authority. The Government's financial statements include these TCAs and as such the Authority has no TCAs recognized in its financial statements.

The Authority has recognized grant-in-kind revenue for the use of these TCAs provided free of charge by the Government. In addition, the Authority has recognized a corresponding rent expense for these TCAs based on the Government's amortization which is the Government's cost. This rent expense has been allocated to the Authority's programs in the statement of operations and accumulated deficit.

(d) Inventories held for use

Inventories consist of pharmaceuticals and general inventories such as parts for various equipment, medical surgical supplies, other medical supplies and office supplies. Inventories held for use are valued at the lower of cost and replacement value.

(e) Other employee future benefits and compensated absences

Under the terms and conditions of employment, employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits has been prepared using data provided by management and assumptions based on management's best estimates.

3. Basis of presentation and significant Accounting policies (continued)

(f) Pensions

The Authority and its eligible employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis. The Authority is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

The Authority and its contracted physicians make contributions to a physician directed investment fund administered by the Canadian Medical Association. These contributions represent the total pension liability of the Authority and are recognized in the accounts on a current basis.

(g) Revenue recognition

Government transfers

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria and stipulations have been met, except for 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 transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be determined.

Recoveries

Government recoveries include amounts recovered from the Government for expenses paid by the Authority primarily relating to non- resident hospital services and non-insured health benefits. Government recoveries are recognized as revenue when the amount is known. Other recoveries are recognized when the amount is known and includes reimbursements from Workers' Safety and Compensation Commission and their equivalent entities throughout Canada, and recovery of medical fees for items such as client medical travel costs.

Other revenue

Other revenue is recognized when the service is performed or the goods are provided. The Authority may provide uninsured medical services for which revenue is recognized and food sales as a by-product of hospital cafeterias.

(h) Due from (to) Government of Canada

Due from the Government of Canada relates to receivables for projects on behalf of or services provided to the Government of Canada. Similarly, the Due to the Government of Canada relates to advances for projects provided on behalf of or services to the Government of Canada.

(i) Financial Instruments

The Authority classifies its financial instruments at cost or amortized cost. The Authority's accounting policy for this financial instrument category is as follows:

This category includes cash, accounts receivable, due (to) from Government of the Northwest Territories, due (to) from Government of Canada and accounts payable and accrued liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transactions costs related to financial instruments in the amortized cost category are added to the carrying value of the instruments. Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write down being recognized in the statement of operations.

(j) Non-financial assets

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 the liabilities of the Authority unless they are sold.

3. **Basis of presentation and significant Accounting policies (continued)**

(k) Contractual obligations and contingencies

The nature of the Authority's activities requires entry into operational contracts that can be significant in relation to its current financial position or that will materially affect the level of future expenses. Contractual obligations are commitments for operating, commercial and residential leases. Contractual obligations are obligations of the Authority to others that will become liabilities in the future when the terms of those contracts or agreements are met.

The contingencies of the Authority are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is considered likely to occur and is quantifiable, an estimated liability is accrued. If the occurrence of the confirming future event is likely but the amount cannot be reasonably estimated, the contingency is disclosed. If the occurrence of the confirming event is not determinable, the contingency is disclosed.

(l) Expenses

Expenses are reported on an accrual basis. The cost of all goods and services received during the year are expensed, except for certain services provided without charge which are described in Note 12.

(m) Related parties

Related party transactions are in the normal course of operations. The Authority is related in terms of common ownership to all Government created departments, public agencies, and key management personnel and close family members. Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Authority.

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis and are measured at the carrying amount, except for services provided by the Government without charge. Services provided without charge include rent, building utilities, repairs and maintenance, medical travel, contracted services, legal, human resources and other services. These services are provided by the Government's central agency and with the exception of rent described in Note 3 (c) these services cannot be reasonably estimated. The Authority does not recognize any amounts for these services in the financial statements.

(n) Recoveries of prior years' expenses

Recoveries of prior years' expenses and reversal of prior years' expense accruals in excess of actual expenditures are reported separately from other revenues on the statement of operations and accumulated surplus. Pursuant to the FAA, these recoveries cannot be used to increase the amount appropriated for current year expenses.

(o) Adoption of new accounting standards

The Authority adopted the following handbook sections which became effective for entities with year-ends starting on or after April 1, 2017, Assets (PS 3210); Contingent assets (PS 3320); and Contractual rights (PS 3380). The adoption of these standards did not have a material impact on the financial statements of the Authority.

4. **Future accounting changes**

PSAB issued new standards on Res

tructuring Transactions (PS 3430) and Asset Retirement Obligations (PS 3280). These new standards have an effective date of April 1, 2018, and

April 1, 2021 respectively.

The Authority does not expect these standards to have a significant impact on its financial statements.

5. **Designated assets**

The Authority records financial information in individual funds that are internally segregated for the purpose of carrying on specific activities or attaining certain objectives. These funds are included in cash on the Statement of Financial Position totaling $413 (2017 - $444). Funds established by the Authority include a special project reserve $265 (2017 - $273) which are donations made to the Authority under non-contractual conditions; a funded employee future benefits reserve $131 (2017 - 131) for funds received for the severance liability of employees who were transferred to the Authority from the Government; and an internally restricted fund $17, (2017 - 40) for monies transferred to the Authority when the Beaufort Delta Hospital Foundation became inactive.

6. Accounts receivable

The Authority administers the Government's Medical travel program for residents of the Northwest Territories and non-residents of the Northwest Territories accessing the medical travel program are invoiced accordingly. These invoices are included in receivables at March 31. Interest is not charged on outstanding amounts receivable. All other payments from account receivable customers of the Authority are expected at N/30.

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2018	Net 2017
Receivables	$ 9,510	$ (3,633)	$ 5,877	$ 5,095
Government of Nunavut	3,782	(149)	3,633	2,085
Due from WSCC	846	(146)	700	348
Due from related parties (note 15)	244	(32)	212	263
Total accounts receivable	$ 14,382	$ (3,960)	$ 10,422	$ 7,791

7. Due from (to) the Government of the Northwest Territories

The Authority receives payment from the Government based on 30 days from the receipt of the invoice or monthly based on transfer payments of contribution agreements.

Due from the Government of Northwest Territories	Accounts Receivable	Allow. For Doubtful Accounts	Net 2018	Net 2017
Health and Social Services	$ 12,210	$ (1,062)	$ 11,148	8,869
Finance	2,169	(67)	2,102	11
Justice	31	(10)	21	-
Municipal and Community Affairs	14	-	14	-
Education, Culture and Employment	24	(14)	10	1
Infrastructure	2	-	2	8
Total due from Government of Northwest Territories	$ 14,450	$ (1,153)	$ 13,297	$ 8,889

Due to the Government of Northwest Territories		
Liability for payroll services provided by the Government	$ 93,425	$ 67,889
Health and Social Services	2,466	3,508
Finance	505	197
Infrastructure	481	28
Justice	-	7
Municipal and Community Affairs	-	6
Total due to Government of Northwest Territories	$ 96,877	$ 71,635

The Due to the Government of Northwest Territories is unsecured, without interest and due on demand.

8. Accounts payable and accrued liabilities

The Authority follows the Government for payment practices of accounts payable invoices and pays northern vendors with terms N/20 and all other vendors at N/30. The Authority administers the Government's Medical travel program for residents of the Northwest Territories and reimbursement of medical related travel expenses are paid to residents accessing the program accordingly. These payables are included in the trade payable.

	2018	2017
Trade payable	$ 10,938	$ 10,244
Annual leave and lieu time	6,634	6,397
Due to related parties (note 15)	58	25
Due to WSCC	19	-
Total accounts payable and accrued liabilities	$ 17,649	$ 16,666

9. Pensions

All eligible employees participate in Canada's Public Service Pension Plan (PSPP). The PSPP provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in the legislation; they are not based on the financial status of the pension plan. The basic benefit formula is two percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings.

The public service pension plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to age 65 for new members joining the plan on or after January 1, 2013. For members with start dates before January 1, 2013, the normal retirement age remains age 60. The employer contribution rate effective at the end of the year is 1.01 times (2017 – 1.1) the employees' contributions for employees who started prior to January 2013 and 1.0 times (2017 – 1.0) the employees' contributions for all other employees.

The Authority and the contracted physician's contribute to the Physician Retirement Income Benefit (PRIB). The Physician's contribution rate is 7.5 percent of the Physician's base salary, minus the Physician's contribution to the Canada Pension Plan. The Authority contribution rate is 15 percent of the Physician's base salary, minus the Employer's contribution to the Canada Pension Plan on behalf on the Physician. The Authority contributed $9,980 (2017 – $9,710) to PSPP and $2,102 (2017 – $2,125) to the Physician's fund. The employee's contributions were $9,920 (2017 – $8,552) and $966 (2017 – $1,062) respectively.

The Authority contributes for all eligible employees to the Public Service Health Care Plan and the Public Service Dental Care Plan which are sponsored by the Government of Canada. The Authority's responsibility with regard to these plans is limited to it's contributions. Contributions during the year totaled $4,084 (2017 - $3,575).

10. Other employee future benefits and compensated absences

In addition to pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Severance benefits are paid to Authority employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

Compensated absence benefits generally accrue as employees render service and are paid upon the occurrence of an event resulting in eligibility for benefits under the terms of the plan. Events include, but are not limited to employee or dependent illness, or death of an immediate family member. Non-accruing benefits include maternity and parental leave. Benefits that accrue under compensated absence benefits were actuarially valued using the expected utilization methodology.

Valuation results

The actuarial valuation was completed as at February 17, 2017. The effective date of the next actuarial valuation is March 31, 2019. The liabilities were actuarially determined and the results were extrapolated to March 31, 2018.

These liabilities are expensed in the year they become due.

	Severance and Removal	Compensated absences	2018	2017
Changes in obligation				
Accrued benefit obligations, beginning of year	$ 8,923	$ 1,854	$ 10,777	10,229
Current period benefit cost	483	153	636	661
Past service cost	-	-	-	291
Transfer of employees to NTHSSA (net)	-	-	-	(121)
Interest accrued	270	59	329	307
Benefits payments	(1,379)	(972)	(2,351)	(1,246)
Actuarial (gains)/losses	(1,268)	464	(804)	656
Accrued benefit obligations, end of year	7,029	1,558	8,587	10,777
Unamortized net actuarial gain/(loss)	2,875	(314)	2,561	2,029
Net future obligation	$ 9,904	$ 1,244	$ 11,148	$ 12,806
Other compensated absences	-	377	377	563
Total employee future benefits and compensated absences	$ 9,904	$ 1,621	$ 11,525	$ 13,369
Benefits expense				
Current period benefit cost	483	153	636	661
Past service cost	-	-	-	291
Transfer of employees to NTHSSA (net)	-	-	-	(121)
Interest accrued	270	59	329	307
Amortization of actuarial gains	(247)	(25)	(272)	(353)
	$ 506	$ 187	$ 693	$ 785

10. Other employee future benefits and compensated absences (continued)

The discount rate used to determine the accrued benefit obligation is an average of 3.8% (2017 - 3.3%). No inflation rate was applied. The expected payments during the next five fiscal years are:

		Severance and Removal	Compensated Absences	2018 Total
2019	Year 1	$ 1,539	$ 296	$ 1,835
2020	Year 2	1,206	231	1,437
2021	Year 3	1,015	196	1,211
2022	Year 4	822	160	982
2023	Year 5	738	149	887
	Thereafter	4,584	589	5,173
		$ 9,904	$ 1,621	$ 11,525

11. Trust assets under administration

The authority administers trust assets, consisting of cash held on behalf of patients, which are not included in the reported Authority's assets and liabilities, totaling $159 (2017 - $141).

12. Government assets and services provided at no charge

During the year, the Authority received without charge from the Government services including utilities, repairs and maintenance, payroll processing, medical travel costs, insurance and risk management, legal counsel, construction management, records storage, computer operations, asset disposal, project management, and translation services. The services are part of the central agency role of the Government and no estimate can be reasonably determined.

The Government provides without charge the use of buildings, equipment, leasehold improvements, mainframe and software systems, medical equipment and vehicles for use in program and service delivery. These would have cost the Authority an estimated $8,134 (2017 - $7,604) based on the calculated depreciation expense by the Government and have been recognized as rent expense with a corresponding grant-in-kind in the financial statements. The Government is currently constructing a new Territorial Hospital for the Authority to use once it is completed.

13. Contractual obligations

The Authority has entered into agreements for equipment, operations and services (Government medical travel program) or is contractually committed to, the following expenses payable subsequent to March 31, 2018:

	Expires in Fiscal Year	2019	2020	2021	2022	2023 and Thereafter	Total
Equipment leases	2026	$ 577.00	$ 233	$ 193	$ 190	$ 705	$ 1,898
Operational leases	2021	5,176	1,481	761	-	-	7,418
Service contracts	2026	35,160	21,571	17,133	16,874	18,711	109,449
		$ 40,913	$ 23,285	$ 18,087	$ 17,064	$ 19,416	$ 118,765

14. Contingencies

In the normal course of operations, the Authority is subject to claims and pending and threatened litigation against the Authority and its staff. At year end, the Authority estimated the total claimed amount for which the outcome is not determinable at $50 (2017 - $0). No provision for such claims has been made in these financial statements as it is not determinable that any future event will confirm that a liability has been incurred as at March 31.

15. Related Parties

Related party transactions not disclosed elsewhere are as follows:

Due from related parties	Accounts Receivable	Allow. For Doubtful Accounts	Net 2018	Net 2017
Tlicho Community Services Agency	$ 150	$ (6)	$ 144	$ 104
Hay River Health and Social Services Authority	48	(2)	46	155
NWT Housing Corporation	40	(24)	16	4
Beaufort-Delta District Education Council	3	-	3	-
Fort Good Hope Housing Authority	3	-	3	-
	$ 244	$ (32)	$ 212	$ 263

Due to related parties:	2018	2017
Tlicho Community Services Agency	$ 20	$ 2
Hay River Health and Social Services Authority	14	15
NWT Housing Corporation	10	-
BDIC	8	-
NWT Power Corporation	3	5
Beaufort-Delta District Education Council	2	-
Aurora College	1	-
Yellowknife Catholic School Board	-	2
South Slave Divisional Education Council	-	1
	$ 58	$ 25

Revenues from related parties:	2018	2017
Tlicho Community Services Agency	$ 914	$ 842.00
Hay River Health and Social Services Authority	205	263
Beaufort-Delta Education Council	4	-
GNWT - MACA	1	-
NWT Housing Corporation	-	7
	$ 1,124	$ 1,112

Expenses paid to related parties:	2018	2017
Government of the Northwest Territories	$ 978	$ 1,357
Tlicho Community Services Agency	376	2
NWT Housing Corporation & local housing authorities	144	173
Hay River Health and Social Services Authority	52	17
NWT Power Corporation	45	35
Yellowknife Catholic School Board	10	20
Aurora College	7	69
Yellowknife Education District #1	7	-
Beaufort-Delta Education Council	5	-
BDIC	4	-
South Slave Divisional Education Council	-	1
	$ 1,628	$ 1,674

16. Financial Instruments

The Authority is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risk from the Authority's financial instruments by type of risk is provided below:

(a) Credit risk

Credit risk is the risk of financial loss of the Authority if a debtor fails to make payments of interest and principal when due. The Authority is exposed to this risk relating to its cash, special purpose funds, trust assets, and accounts receivable.

The Authority holds its cash, special purpose funds, and trust assets deposits in trust accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Authority's cash and special purpose funds deposits in trust accounts are insured up to $100.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well as policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables. These amounts are as disclosed in Note 6.

The Authority's maximum exposure to credit risk is represented by the financial assets for a total of $33,391 (2017 - $21,521).

Concentration of credit risk

Concentration of credit risk is the risk that customer(s) has a significant portion (more than ten percent) of the total accounts receivable balance and thus there is a higher risk to the Authority in the event of a default. The Authority does have concentration of credit risk. At March 31, 2018, receivables from the Government comprised 55% of the total outstanding accounts receivables (2017 - 52%). The Authority reduces this risk by monitoring overdue balances.

(b) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting, deferring repayment to the Government (Note 1 and Note 2) and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise. All of the Authority's financial assets and financial liabilities as at March 31, 2018 mature within the next six months.

Total financial assets are $33,391 (2017 - $21,521) and financial liabilities are $126,067 (2017 - $101,671). The Authority has disclosed future financial liabilities and contractual obligations in Note 13.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

17. Budget

The approved budget have been reclassified where applicable to conform to the presentation used in financial statements as follows:

	Budget per Statement of Operations and Accumulated Deficit	Government Approved Budget	Difference
Revenue			
Recoveries from other sources	$ 9,526	$ -	$ 9,526
Recoveries from Nunavut	2,485	-	2,485
Contributions from other sources	808	-	808
Interest income	167	-	167
Other income	102	$ 48,142	(48,040)
Total Revenue	13,088	48,142	(35,054)
Expenses			
Administration and support services	91,637	47,527	44,110
Supplementary health programs	-	43,355	(43,355)
Ambulatory care services	62,628	33,422	29,206
Community health programs	41,642	99,624	(57,982)
Community social programs	51,896	22,781	29,115
Nursing inpatient services	32,874	32,874	-
Diagnostic and therapeutic services	25,849	26,006	(157)
Undistributed	-	645	(645)
Total Expenses	306,526	306,234	292
Government contributions			
Contributions from Government of the Northwest Territories	244,773	239,053	5,720
Recoveries from Government of the Northwest Territories	18,741	-	18,741
Recoveries - non insured health services	10,885	-	10,885
Total Government contributions	274,399	239,053	35,346
Annual deficit	(19,039)	(19,039)	-

18. Expenses by object

	2018 Actual	2017 Actual
Compensation and benefits		
Salaries and wages	$ 158,011	$ 158,620
Superannuation	11,208	11,595
Post employment benefit	693	784
Honorariums	165	198
	170,077	171,197
Compensable items		
Locums	15,978	15,442
Other compensable items	5,244	5,079
	21,222	20,521
Operations and maintenance		
Contracted and general services	47,599	45,642
Medical travel and other travel	26,246	25,298
Contributions	19,012	18,444
Medical and surgical supplies	11,461	10,729
Rent expense (Note 12)	8,134	7,604
General supplies	4,164	3,938
Program expenses	3,606	3,704
Administrative expenses	3,086	2,880
Medical and program equipment	2,377	1,747
Professional development and training	1,743	1,556
Communications	1,416	1,528
Valuation allowances	16	85
	128,860	123,155
Total expenses	$ 320,159	$ 314,873

19. Comparative figures

The financial statements have been reclassified where applicable to conform to the presentation used in the current year. 'The compensation and benefits categories were reclassified to provide increased transparency on the amount and type of transactions in each category. Locums and Contracted and general services were reclassified to better align the types of transactions in each category The changes relate to the expenses by object note (note 18) as follows:

	Expenses By Object As Originally Stated	Expenses By Object As Reclassified	Difference
Salaries and wages	$ 156,613	$ 158,620	$ 2,007
Severance/ superannuation	14,087		(14,087)
Superannuation		11,595	11,595
Other compensation and benefits paid	414		(414)
Honorariums		198	198
Post employment benefit	84	784	700
Locums	20,391	15,442	(4,949)
Contracted and general services	$ 40,693	$ 45,642	$ 4,949