



# Public Accounts 2019-2020

## 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, 2020**

**SECTION IV**  
**SUPPLEMENTARY FINANCIAL STATEMENTS**  
**BOARDS**

**HONOURABLE CAROLINE WAWZONEK**  
**Minister of Finance**

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**Public Accounts of the  
Government of the Northwest Territories**

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Dehcho Divisional Education Council  
Dettah District Education Authority  
N'Dilo District Education Authority  
Sahtu Divisional Education Council  
South Slave Divisional Education Council  
Yellowknife Public Denominational District Education Authority (Yellowknife  
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**Health and Social Services Authorities**

Hay River Health and Social Services Authority  
Northwest Territories Health and Social Services Authority

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**BEAUFORT-DELTA EDUCATION COUNCIL  
INUVIK, NT  
CONSOLIDATED ANNUAL FINANCIAL REPORT  
June 30, 2019**

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## Message from Superintendent of Schools Frank Galway

On behalf of the Beaufort Delta Divisional Education Council (BDDEC), I am pleased to present the Annual Report for 2018 - 2019. 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.

### BDDEC's goals defined in the 2019 - 2020 Operating Plan

- To improve student success in Literacy
- To improve student success in Numeracy
- To improve student success in Indigenous Language(s) and Culture
- To increase understanding and practice of Social Responsibility of students

This approach will enable BDDEC to state the progress that the organization has made and will highlight areas where improvement is needed. Some of the key accomplishments in 2018 - 2019 include:

- Continued partnership with the Gwich'in Tribal Council (GTC) on a course presented at the middle years to reflect the Gwich'in culture and history.
- Partnership with the Inuvialuit Regional Corporation (IRC). The IRC continues to support to Inclusive schooling with Educational Psychologist visits.
- Inclusive Schooling was one area of improvement with the addition of 53 Support Assistants in the district in the 2018 – 2019 year thanks to funding made available with the Jordan's Principle Program.
- Northern Distance learning statistics show continual improvement and show that the service has been utilized for those students in small schools that want dash one courses. The program experienced an 83 % credit completion rate as of Semester One in 2018 – 2019. Due to the success of the program. The program with ECE's financial contribution expand to additional schools throughout the NWT in the 2019 – 2020 year.
- Actua (InSTEM) in partnership with BDDEC delivered customized, community-based STEM education programs throughout the 2018 – 2019 for our communities. The plan is to continue the program into the 2019 – 2020 year.
- BDDEC welcomes 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.
- Governance Training was provided November 2018 for DEA members in Aklavik, Fort McPherson, Ulukhaktok, Tuktoyaktuk and Inuvik.
- A standardized template for the Operating Plan and the Annual Report are being submitted to ECE as requested in 2018. Format continues to develop to highlight certain aspects of BDDEC goals and performance.
- BDDEC continues to focus on literacy and numeracy initiatives to improve teacher practices and development with a focus on student achievement.

- BDDEC continues to provide the Access to High School Education program formerly known as the 'Home Boarding Program'. This 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. Students are enrolled in school at East Three Secondary School in Inuvik or Chief Julius in Fort McPherson
- For the 2018 – 2019 year BDDEC has adopted the new Aboriginal Language and Culture directive from ECE. As directed by ECE funding for the Elders in the School program and Cultural Orientation funding has been provided directly to the School's operating budget.
- The 8<sup>th</sup> Annual Northern Dene Games Summit was held March 6 – 9 2019 in Inuvik bringing students from each community for the 4 day competition.
- Staff changes include the appointment of Paul Loewen and Devin Roberts as Assistant Superintendents.

The world of education is changing globally, nationally and territorially. The Beaufort Delta Education Council (BDDEC) recognizes the importance of embracing these changes to prepare northern students for participation in a 21<sup>st</sup> century economy. There is a significant achievement gap between Aboriginal students and non-Aboriginal students. BDDEC is committed to addressing this achievement gap. Research indicates that culture-based educational strategies impact student outcomes. With the increased focus on indigenizing education, BDDEC 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 Divisional Education Council (BDDEC) for the 2018 – 2019 year provides Junior Kindergarten to Grade 12 instruction for 1,469 students through 9 schools in the in 8 communities of Inuvik, Aklavik, Fort McPherson, Tsiigehtchic, Tuktoyaktuk, Sachs Harbour, Ulukhaktok, and Paulatuk.

Sachs Harbour and Tsiigehtchic offer education from Junior Kindergarten to Grade 9 at which time the Access to Education program makes arrangements for the students to live in Fort McPherson or Inuvik for full time attendance of high school to complete Grades 10 – 12. 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 High School.

BDDEC 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.

## **BDDEC Board of Directors**

The BDDEC 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 BDDEC Board. DEA positions are elected in the local communities and serve for a three year term. The BDDEC Board had one face-to-face meeting, and two video conference meetings during the 2018 – 2019 year.

Chairperson	Darelene Gruben
Vice-Chairperson	Lorna Storr
Member-at-Large	Rebecca Blake
Aklavik	Lorna Storr
Fort McPherson	Athena Prodromidis
Inuvik	Jennifer Perrott
Paulatuk	Gilbert Thrasher Sr
Sachs Harbour	Andrea Keogak
Tsiigehtchic	Archie Inglangasuk JF
Tuktoyaktuk	Darlene Gruben
Ulukhaktok	Joanne Ogina
Gwich'in Tribal Council	Jordan Peterson
Inuvialuit Regional Corporation	Lucy Kuptana

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

### **BDDEC Staff**

Superintendent of Schools	Frank Galway
Assistant Superintendent	Paul Loewen
Assistant Superintendent	Devin Roberts
Comptroller	Gary McBride
Public Affairs Coordinator	Lisa Steen
LAN Manager	Michael Reardon
Technical Officer	Dylan Blais
Finance Officers	Ken Crocker
	Kurt Scheiwiller
	Sheena Snowshoe
Administrative Assistant	Loni Noksana-Ruben

### **Consultants**

Data Analysis	Tara Gilmour
eLearning (Northern Distance Learning)	William Logan
Inclusive Schooling	Dr. Jane Khaemba/Any Briggs
Indigenous Languages	Velma Illasiak
Literacy Coordinator k-12	Julie Donahue-Kpolugbo/Raychel Rose

Math Science  
PowerSchool

Adam Wright  
Lorna Jones-Martin

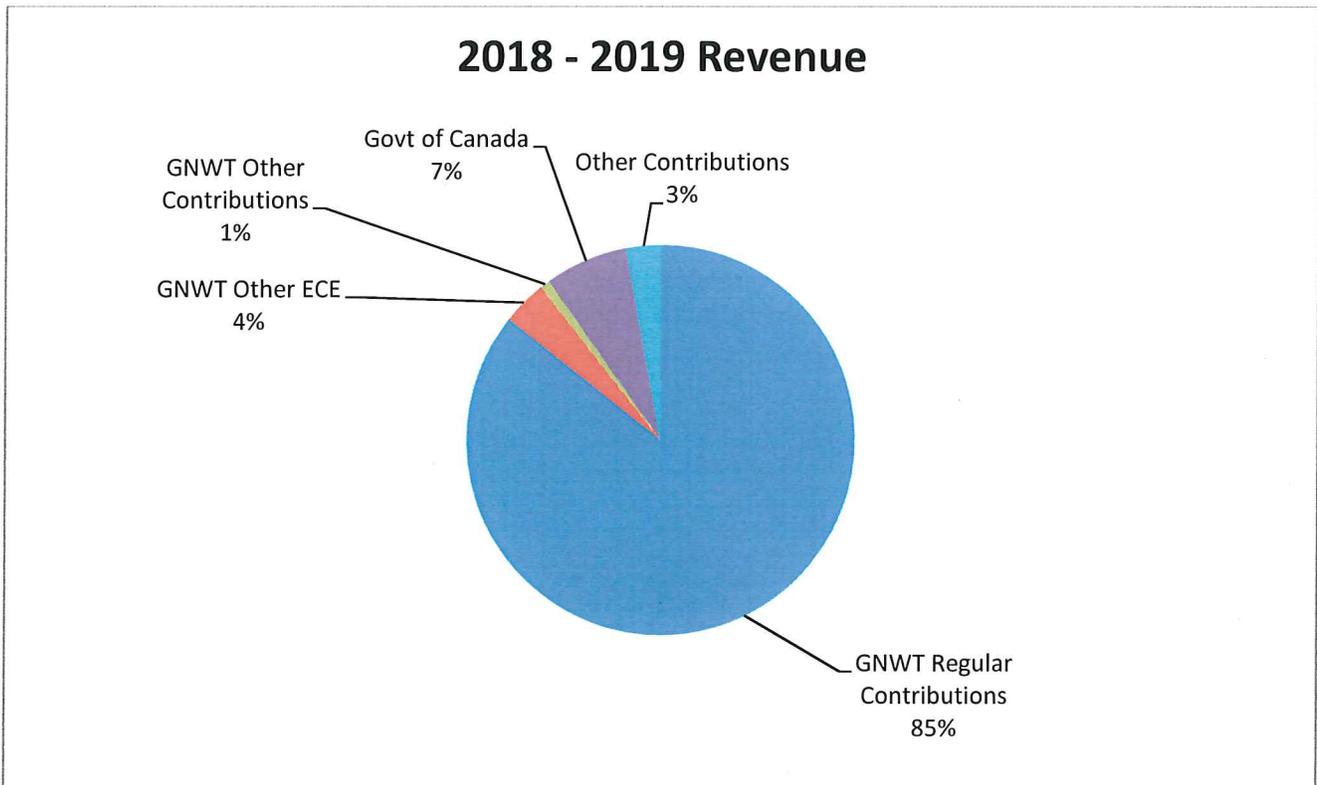
**Principals**

Angik – Paulatuk  
Chief Julius – Fort McPherson  
Chief Paul Nitidchie – Tsiighetchic  
Helen Kalvak – Uluhaktok  
Inualthuyak – Sachs Harbour  
Mangilaluk – Tuktoyaktuk  
Moose Ker School – Aklavik  
East Three Elementary – Inuvik  
East Three Secondary – Inuvik

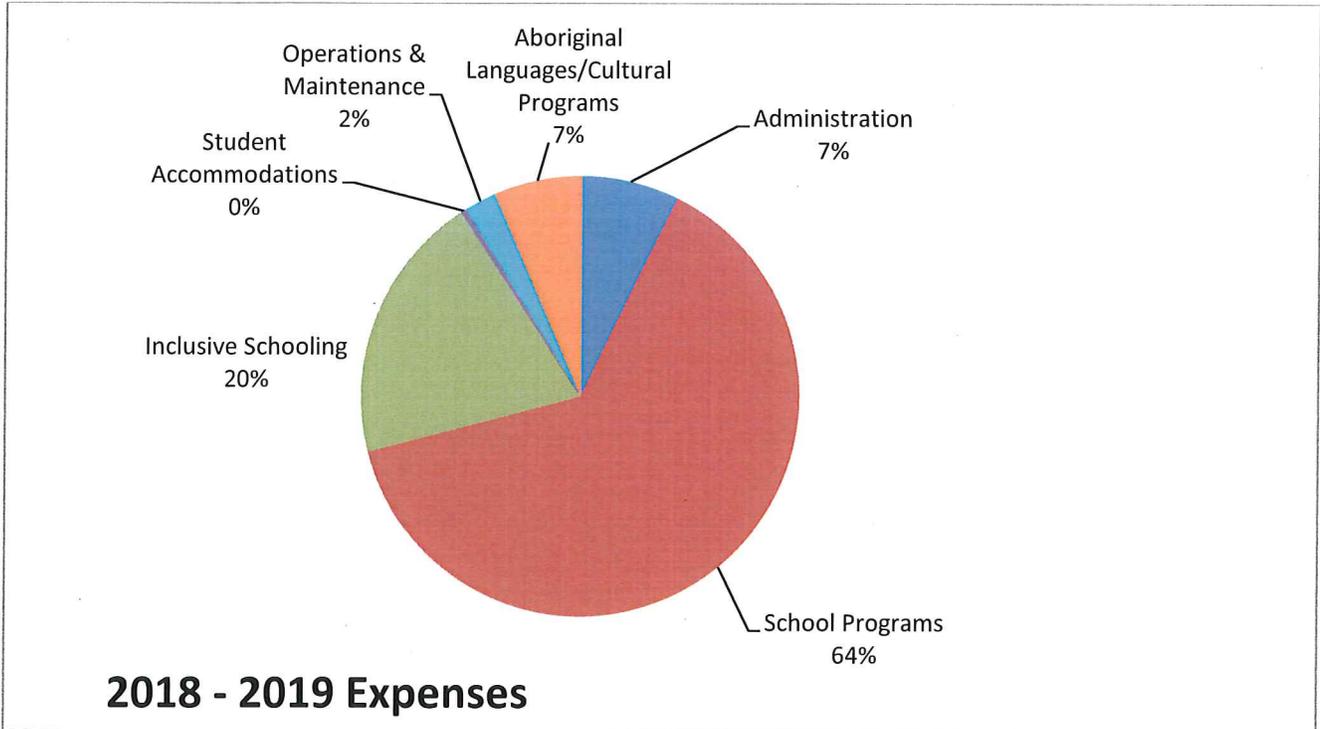
William Callahan  
Shirley Peterson  
Sonia Gregory  
Richard McKinnon  
Stephen Keoughan  
Krista Cudmore  
Vivian Wirth  
Elizabeth McNeil  
Gene Jenks

**Financial Highlights**

Revenues for 2018 – 2019 of \$35.1 million were \$3.3 million higher than budgeted. GNWT regular contributions accounted for a 86% of the revenue at \$30.1 million an increase of \$1.1 million from 2017 - 2018 year. Other contribution agreements from the GNWT brought the total GNWT contributions to \$31.7 million; which is an increase of \$872.0 K from the 2017 – 2018 year. Total revenues of \$35.1 million were an increase of \$3.5 million from the 2017-2018 year. Funding from the Government of Canada under the Jordan’s Principle program accounted for \$2.4 million.



Expenses are broken into program cost; school programs accounted for 64% of cost at \$23.2 million, Inclusive schooling for 20% of cost at \$7.2 million. Total expenses at \$36.3 million were \$3.6 million greater than 2017 - 2018, and \$3.11 million greater than the 2018-2019 Budget.

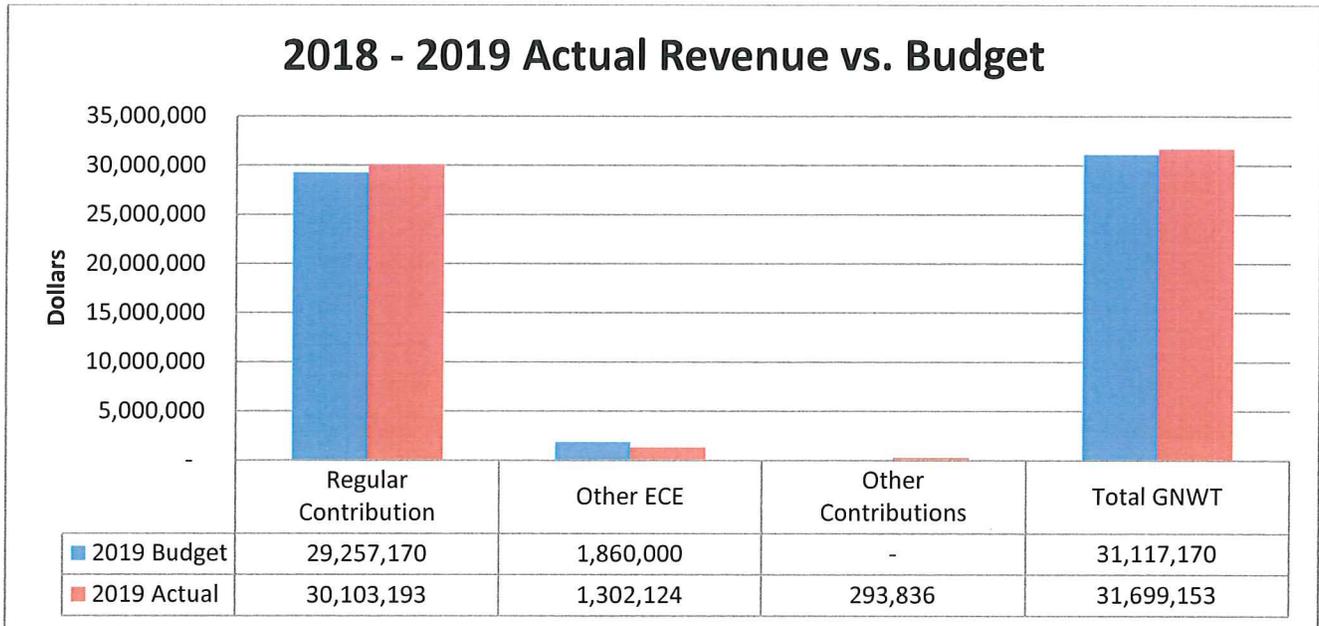


### 2018 – 2019 Revenues

For 2018 - 2019 BDDEC Consolidated Statement of Operations had an Operating Deficit of \$1.2 million compared to a budgeted deficit of \$1.4 million.

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

Chart 1 displays our 2018 – 2019 Actual Revenues compared to the budgeted revenue.



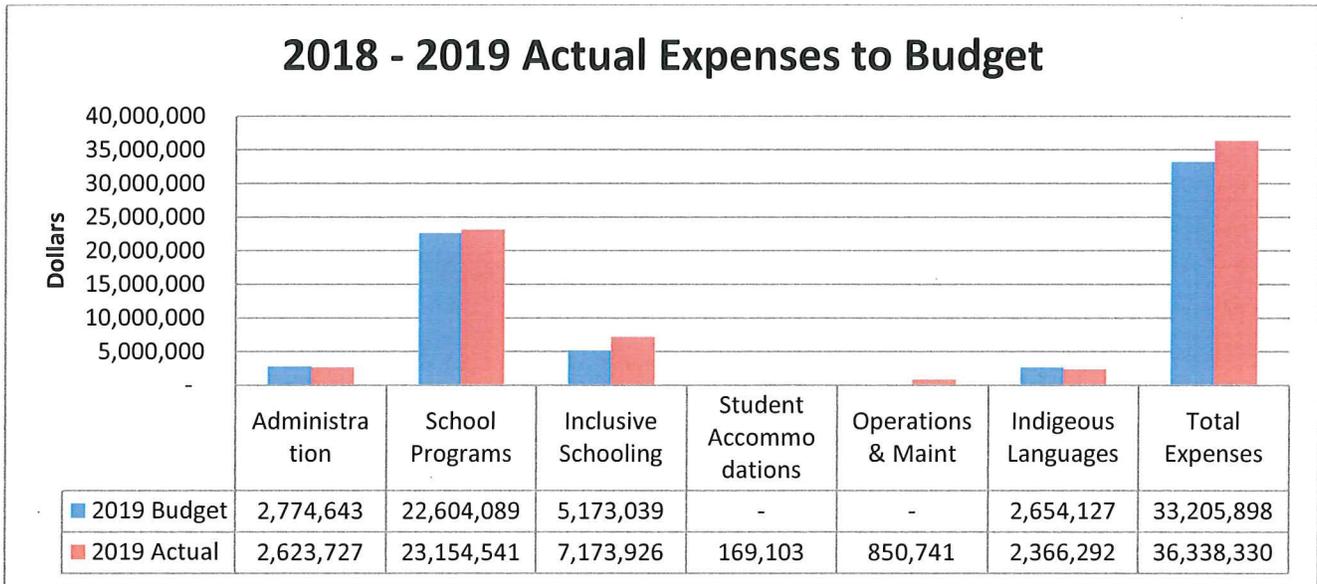
### 2018 – 2019 Expenses

Expenses for the year-end June 2019 were \$3.1 million more than the budget of \$33.2 million for a total cost of \$36.3 million. This represents a \$3.6 million increase in expenditures from 2018 -2019, or a 10.9% increase in spending from previous year.

Inclusive schooling had expenses of 7.2 million representing an increase in spending from the 2017 - 2018 year of \$1.6 million. A significant portion of the increase was due to increase staff funded through the Jordan’s Principle program.

Indigenous Languages had expenses of \$2.4 million; which represents a decrease of expenditures of \$843 K from the 2017 – 2018 year.

Chart 2 is a program comparison of our expenses for 2018-2019 compared to the budgeted expenses.



When comparing 2019 against 2018, BDDEC experienced a 11.1% increase in revenues, and an increase in expenses of 10.9% resulting in an operating deficit of \$1.2 million. Operating deficit for 2018 was \$1.2 million. This leave an accumulated surplus of \$1.2 million or 3.5% of revenues.

Chart 3 is a comparison of the Year-end 2019 GNWT Revenues compared to the 2018 Revenues

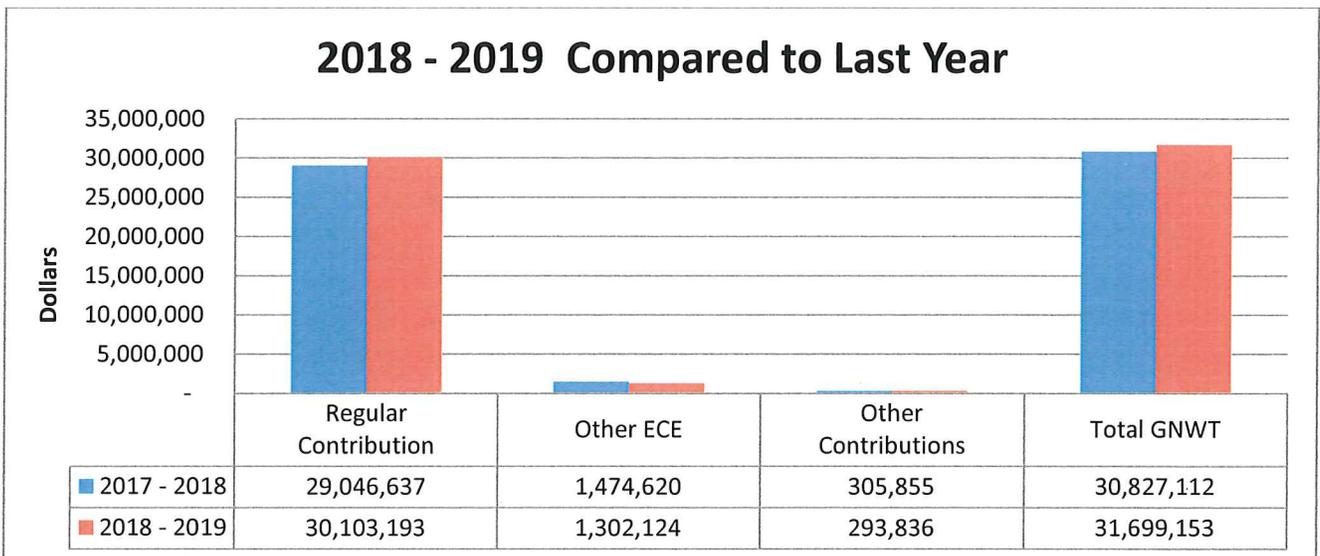
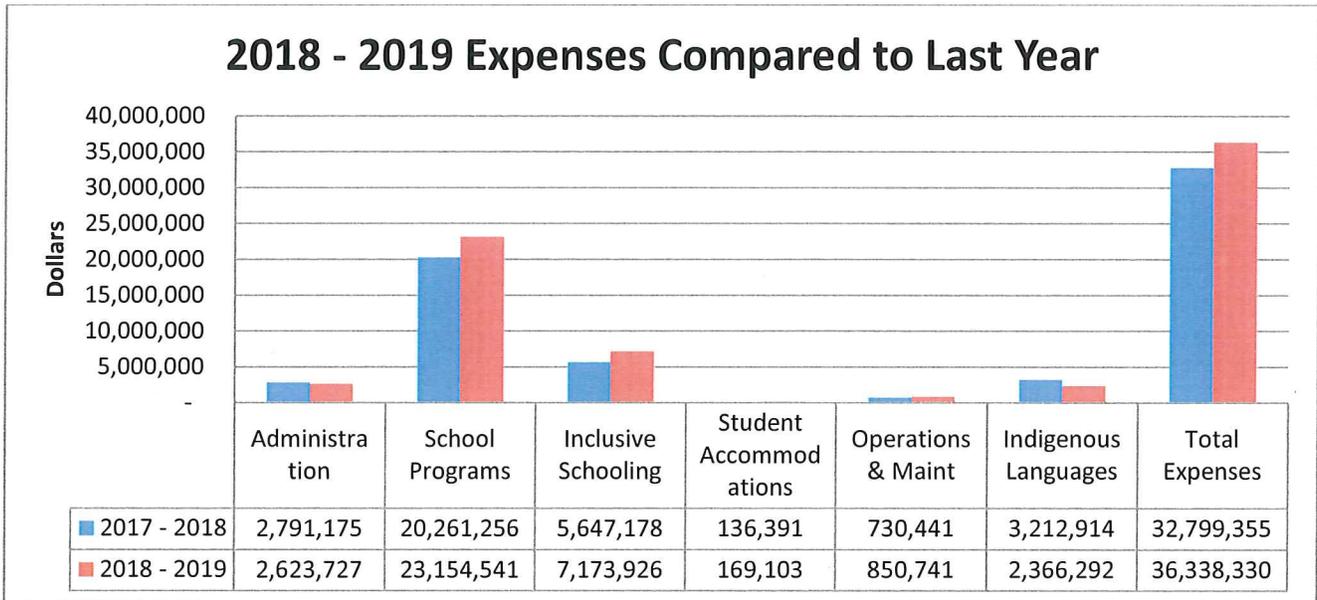


Chart 4 compares the 2019 Program Expenses against to the 2018 Program Expenses.



The plan for the 2018 – 2019 year was to reduce the Accumulated Surplus in stages to reach the recommended level of Accumulated Surplus of 7%. The focus continued to be providing better coaching, training and additional staff to meet the needs of the students. The Operating Deficit of \$1,2 million reduced the Accumulated Surplus from \$2.4 million to \$1.2 million.

The strength of the organization is the commitment of the staff working for the Beaufort Delta Divisional 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% - 30% of the teaching staff. Student attendance remains a high concern, and many initiatives have been implemented to increase the student’s attendance in the schools.

Student and Teacher population for each school as of June year-end \*

Community	School	2019 Students	2019 Teachers	2018 Students	2018 Teachers
Aklavik	Moose Kerr	128.00	13.00	115.00	12.00
Fort McPherson	Chief Julius	141.00	16.00	143.25	14.00
Inuvik	East 3 Elem	451.00	38.00	424.50	31.25
Inuvik	East 3 Second	275.80	28.00	267.50	23.50
Inuvik DEA	Subtotal	726.80	66.00	691.00	54.75
Paulatuk	Angik	59.50	7.00	50.75	7.00
Sachs Harbour	Inualthuyak	16.00	2.50	16.00	1.50
Tsiigehtchic	Chief Paul Niditchie	40.00	5.75	41.50	4.50
Tuktoyaktuk	Mangilaluk	237.50	21.00	217.50	19.00

Ulukhaktok	Helen Kalvak	121.00	10.50	117.50	11.00
Total		1469.80	141.75	1393.50	123.75

**Note:** \*Teachers included NWTTA members who are classroom teachers, principals, assistant principals, program support teachers, wellness counsellors, indigenous language teachers, literacy coaches, etc.

## Operating Environment

BDDEC operates in a remote part of the Northwest Territories and as result has some unique circumstances.

### Strengths

- Each school has a Safe and Caring School Program
- Each school has procedure manuals, and practices lock down procedures on a regular basis
- Each school has staff that have completed first aid training
- Breakfast programs supplied at all schools
- Each school operating an On the Land Program is in possession of or in the process of getting Satellite phones in the event of an emergency
- Staff are well trained and supported in additional training
- Many of the Administration staff are long-term employees giving stability to the organization

### Weakness

- Travel to remote communities by air and road, the concern has been addressed by having three well maintained vehicles equipped with Satellite phones for remote travel. Air travel is approved only with approved air carriers. Additional issues are the aircraft fuel availability at several of our remote communities, this adds to the difficulty in travel to the communities.
- Student attendance, each community is working on programs unique to the community to raise community awareness of the importance of attendance and to encourage students to attend

### Threats

- Staff housing continues to be an issue in several of the communities, management is working with NWT Housing to ensure that housing will be available for teachers when they arrive
- High turnover of staff continues, management is getting involved in recruiting much earlier in the year knowing that there will be positions available

### Opportunities

- Many staff including management are long-term employees of BDDEC, this give the school council a base to build upon in mentoring new teachers
- An active mentoring program for new teachers
- Introduction for new teachers in a New to the North Conference which identifies the cultural difference and differences working in the North
- BDDEC host an in-service for returning staff each year to provide additional support, training, and outline objectives for our region before school starts

## **The Mary Bryant Award for Improvement in English (Award)**

A joint venture between the Beaufort Delta Education Council, (BDDEC) 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 BDDEC 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](http://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 BDDEC, with emphasis on English skills. The idea was proposed to the Family and the BDDEC, 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 BDDEC. 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 BDDEC, 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 BDDEC.

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. BDDEC 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 BDDEC 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 BDDEC 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. BDDEC 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 BDDEC 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 BDDEC 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 BDDEC'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 BDDEC.

Criteria used to determine the recipient of the award shall be developed by BDDEC, in consultation with the Parties. The Parties and BDDEC 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, BDDEC 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 Award was given for the Mary Bryant Award for the 2018 – 2019 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 indigenous children faced in higher education.

The Superintendent of the BDDEC was able to describe for Mrs. Stallworthy an initiative the Board would be taking over the next few years to ease the transition for indigenous 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 indigenous 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.

Dr. Carpenter is the first Inuit doctor, the only Inuvialuit specialist surgeon to emerge from the Northwest Territories, and is known for the development of surgical techniques. He attended a residential school, and in 1963 graduated from high school in Inuvik. He has a Honorary Doctor of Law from the University of Calgary, was appointed a Citizen Ambassador to China in 1987 and is a member of the Native Physicians Association of Canada, the Canadian College of Health Service Executives, the Science Institute of the NWT, the Canada Science Council, and the International Society of Endovascular Surgeons. He has been an inspiration to many northerners.

The Stallworthy will stated that BDDEC 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 BDDEC 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 - 2005 the BDDEC 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.

## **Terry Halifax Fund**

Terry Halifax was a Town of Inuvik Councillor who passed away suddenly after a town council meeting in 2015. First elected to the town council in 2004; he served as the Chair of the community Energy Planning Committee and the Administration Committee. He was known for not holding back in expressing what he felt was the best interest of the Town and its residents. And as such he was well known through his work with community projects, volunteerism and school involvement.

In recognition of Terry Halifax's commitment to the community, the Terry Halifax Bursary will be awarded annually to the high school student who exemplifies what it means to be a capable citizen through community, school involvement, volunteerism and leadership.

Starting in 2019, the school administration will recommend a recipient after consultations with staff to the Superintendent of Schools. The selection will be made no later than mid-May with the bursary to be presented during the graduation ceremony in early June. Annual award will be \$500.

It is the desire of the Bursary Committee to present the award to a graduating students, but any student that best exemplifies being a capable citizen will be considered.

The award was issued to Leslie Kisoun in the 2018 – 2019 year.

## 2018 - 2019 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 BDDEC. In recognition of their dedication each year BDDEC recognizes the contribution of our long term staff with long term service awards. For the 2018 – 2019 year the following individual were recognized by the management team.

Community	Name	Service Years
Aklavik	Lisa Schachtschneider	5
	Margaret McLeod	45
Fort McPherson	Dawit Tsehaye	10
	Betty Vittrekwa-Firth	15
	Stanley Snowshoe	15
	Gladys Alexie	15
	Leslie Philip Blake	25
Inuvik	Shoneen Clark	5
	Josie McConnell	5
	Annie Smith	5
	Nadine Wagner	10
	Patricia MacAulay	10
	Sharla Greenland	10
	Donna Johns	10
	Stephanie Moses	15
	Gene Jenks	15
	Denise Ritias	20
Victoria Bodnar	20	
Michael Heath Israel	30	
Tuktoyaktuk	Michele Tomasino	5
	Jenny Jacobson	10
	Ida Thrasher	20
Ulukhaktok	Heather Pearl Kitekudlak	10
	Richard McKinnon	10
	Gary Okheena	10
	Sarah Kuptana	15

## **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. The following staff have been recognized and received the following awards.

2019

Velma Illasiak was awarded the Premier's Award for Excellence  
Moose Kerr School received the Premier's Award for Collaboration for their Student Success Initiative

2018

Chris Gilmour Minsters Choice Award inducted to the NWT Educators Hall of Fame  
Bella Kay inducted to the NWT Educators Hall of Fame

Chirs Gilmour and Tara Gilmour recognized by the NWTTA for Teaching Excellence

Lorna Jones-Martin presented the Cliff King Award by the NWTTA

Jennifer Giffin from the Angik School located in Paulatuk received the following award:  
2018 NAPEG Science Teaching Award

2017

Erica Thompson from the Chief Paul Niditchie located in Tsiigehtchic 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 (2017)

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**

BDDEC has completed a most successful year: culturally 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 graduates. 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.

For the 2018 – 2019 year a substantial amount of funding was received through the contribution agreement with the Government of Canada with the Jordan's Principle program. This helped to fund 53 additional Support Assistants in the schools. Latest discussions indicate that this program will continue in some form for at least another 3 years which will help to provide additional staffing to support the development of students.

Looking forward, there is a concern about the potential for reduced funding. BDDEC is well positioned financially and looking forward to 2019 – 2020 year and has identified areas where additional staffing will result in better services to our students, so reallocation of staff and increased staffing planned will continue into the 2019 – 2020 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.

## MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

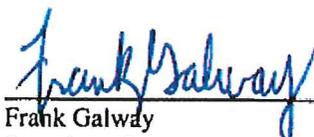
The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public 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



Frank Galway  
Superintendent  
August 30, 2019



Gary McBride  
Comptroller



# AVERY COOPER & CO. LTD.

Chartered Professional Accountants

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## INDEPENDENT AUDITORS' REPORT

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

*Report on the Audit of the Consolidated Financial Statements*

### *Qualified Opinion*

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, 2019 and the Consolidated Statements of Changes in Net Financial Assets (Debt), Statement of Operations and Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

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, 2019 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### 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 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 relating to compensation and benefits.

### *Other matter*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of Beaufort-Delta Education Council taken as a whole. The supplementary information included on various schedules 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.

### *Other Information*

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## INDEPENDENT AUDITORS' REPORT - cont'd.

We obtained the management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### *Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and the Act of the Northwest Territories, 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.

Those charged with governance are responsible for overseeing the 's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT - cont'd.**

*Report on Other Legal and Regulatory Requirements*

We further report, in accordance with the Education Act's requirement for the Education Authority to comply with the Financial Administration Act, in our opinion, proper books of account have been kept 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.

*Avery Cooper & Co. Ltd.*

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

**BEAUFORT-DELTA EDUCATION COUNCIL**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 June 30, 2019

Statement I

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 2)	\$ 10,888,953	\$ 9,337,506
Restricted Assets (Note 6)	282,511	282,334
Accounts Receivable (Note 8)	<u>281,116</u>	<u>376,801</u>
	<u>11,452,580</u>	<u>9,996,641</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities (Note 10)	976,589	960,634
Payroll Liabilities (Note 10)	4,906,250	3,099,472
Employee Deductions Payable	1,986	2,586
Deferred Revenue (Note 11)	1,260,679	133,888
Post-Employment Benefits (Note 17)	2,808,281	3,083,496
Trust Liabilities (Note 6)	<u>282,511</u>	<u>282,334</u>
	<u>10,236,296</u>	<u>7,562,410</u>
<b>NET FINANCIAL ASSETS (Statement III)</b>	<u>1,216,284</u>	<u>2,434,231</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid Expenses (Note 20)	<u>4,516</u>	<u>8,181</u>
	<u>4,516</u>	<u>8,181</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 1,220,800</u>	<u>\$ 2,442,412</u>

Approved:

Frank Galway Superintendent

[Signature] Council Member

Darlene Autsen Chair BOEC

See the accompanying notes and schedules.

**BEAUFORT-DELTA EDUCATION COUNCIL**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the Year Ended June 30, 2019

**Statement II**

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
<b>Government of the NWT</b>			
Regular contributions	\$ 29,257,170	\$ 30,103,193	\$ 29,046,637
Other ECE contributions (Note 31)	1,860,000	1,302,124	1,474,620
Other contributions (Note 32)	<u>-</u>	<u>293,836</u>	<u>305,855</u>
<b>Total Government of the NWT</b>	<u>31,117,170</u>	<u>31,699,153</u>	<u>30,827,112</u>
<b>Government of Canada</b>			
Jordan Prinicpal	-	2,387,257	-
Other Government of Canada	<u>-</u>	<u>47,035</u>	<u>41,787</u>
<b>Total Government of Canada</b>	<u>-</u>	<u>2,434,292</u>	<u>41,787</u>
<b>Board Generated Funds</b>			
Investment Income	110,000	162,271	129,169
Rentals	-	6,234	6,308
Other	<u>593,158</u>	<u>814,768</u>	<u>610,641</u>
<b>Total Board Generated Funds</b>	<u>703,158</u>	<u>983,273</u>	<u>746,118</u>
<b>TOTAL REVENUE</b>	<u>31,820,328</u>	<u>35,116,718</u>	<u>31,615,017</u>
<b>EXPENSES (Schedule 1)</b>			
Aboriginal Languages/Cultural Programs	2,654,127	2,366,292	3,209,003
Administration	2,774,643	2,623,727	2,791,175
Inclusive Schooling	5,173,039	7,173,926	5,615,293
School Programs	22,604,089	23,154,541	20,297,052
Student Accommodations	-	169,103	136,391
Operations & Maintenance	<u>-</u>	<u>850,741</u>	<u>730,441</u>
<b>TOTAL EXPENSES</b>	<u>33,205,898</u>	<u>36,338,330</u>	<u>32,779,355</u>
<b>OPERATING DEFICIT</b>	<u>\$ (1,385,570)</u>	<u>\$ (1,221,612)</u>	<u>\$ (1,164,338)</u>

See the accompanying notes and schedules.

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Statement III**

**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

June 30, 2019

	2019 Budget <u>(Unaudited)</u>	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>OPERATING DEFICIT</b>	\$ (1,385,570)	\$ (1,221,612)	\$ (1,164,338)
Purchase of Prepaid Expenses	-	(4,516)	(8,181)
Use of Prepaid Expenses	<u>-</u>	<u>8,181</u>	<u>20,879</u>
	-	3,665	12,698
<b>DECREASE IN NET FINANCIAL ASSETS</b>	<u>(1,385,570)</u>	<u>(1,217,947)</u>	<u>(1,151,640)</u>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>2,434,231</u>	<u>2,434,231</u>	<u>3,585,871</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u>1,048,661</u>	\$ <u>1,216,284</u>	\$ <u>2,434,231</u>

See the accompanying notes and schedules.

**BEAUFORT-DELTA EDUCATION COUNCIL**

Statement IV

**CONSOLIDATED STATEMENT OF CASH FLOW**

For the Year Ended June 30, 2019

<b>Cash provided by (used in):</b>	<u>2019</u>	<u>2018</u>
<b>OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$ (1,221,612)	\$ (1,164,338)
<b>Changes in non-cash assets and liabilities:</b>		
Decrease (increase) in accounts receivable	95,685	(81,746)
Increase (decrease) in accounts payable	15,955	322,647
Increase (decrease) in payroll liabilities	1,806,778	397,466
Increase (decrease) in contributions repayable	-	(5,282)
Increase (decrease) in employee deductions payable	(600)	1,870
Increase (decrease) in deferred revenue	1,126,791	(58,432)
Increase (decrease) in post-employment benefits	(275,215)	(339,103)
Decrease (increase) in prepaid expenses	<u>3,665</u>	<u>12,682</u>
Cash provided by operating transactions	<u>1,551,447</u>	<u>(914,236)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,551,447	(914,236)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>9,337,506</u>	<u>10,251,742</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 10,888,953</u>	<u>\$ 9,337,506</u>

See the accompanying notes and schedules.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(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.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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.

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 expenditure are incurred.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, *continued*

#### Investment Income

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

#### 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.

#### Stallworthy / Carpenter Endowment contributions:

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

#### Terry Halifax Endowment contributions:

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

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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 original 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.

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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) 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 assumptions based on management's best estimates.

(l) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expenses. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 2      SIGNIFICANT ACCOUNTING POLICIES, continued**

(m)      Foreign Currency Translation

Foreign currency transactions are to be translated in Canadian dollars. Revenues and expenses denominated in a foreign currency are reported at a rate in the date of the transaction. Monetary items that have yet to be settled at the exchange rate are translated at the exchange rate in effect on the date of financial statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.

(n)      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 AND ADOPTION OF NEW ACCOUNTING STANDARDS**

**Future Accounting Changes**

- (a)      Financial Statement Presentation (PS 1201 - required when Sections PS 2601 and PS 3450 are adopted)
- (b)      Foreign Currency Translation (PS 21601 - April 1, 2019)
- (c)      Portfolio Investments (PS 3041 - required when Sections PS 1201, PS 2601 and PS 3450 are adopted.
- (d)      Financial Instruments (PS 3450 - April 1, 2019)
- (e)      Asset Retirement Obligations (PS 3280 - April 1, 2021)
- (f)      Revenue (PS 3400 - April 1, 2022)
- (g)      Student Activity / Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

**Adoption of new Accounting Standards**

- (a)      Effective April 1, 2018, the new standard from the PSA Handbook Section PS 3430 - restructuring transactions was adopted. there is no significant impact on the consolidated financial statements as a result of adopting the new standards.

**NOTE 4      CASH AND CASH EQUIVALENTS**

	<u>2019</u>	<u>2018</u>
Cash	\$ <u>10,888,953</u>	\$ <u>9,337,506</u>
	<u>\$ 10,888,953</u>	<u>\$ 9,337,506</u>

## BEAUFORT-DELTA EDUCATION COUNCIL

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

#### 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.

	<u>2019</u>	<u>2018</u>
Comprised of:		
Short-term		
- GIC 2.0% due June 24, 2019	\$ 255,000	\$ 255,000
- Due from general cash	<u>6,578</u>	<u>6,332</u>
	<u>\$ 261,578</u>	<u>\$ 261,332</u>
Stallworthy / Carpenter Endowment Fund:		
Principal proceeds received	\$ 216,515	\$ 216,515
Interest earned to date	262,955	263,731
Expenses to date	<u>(217,892)</u>	<u>(218,914)</u>
	<u>\$ 261,578</u>	<u>\$ 261,332</u>

The Council received a bequest to establish the Terry Halifax Fund in 2018. The terms of the bequest state that the East Three school will award annually to the student who exemplifies what it means to be a capable citizen through community, school involvement, volunteerism and leadership.

Comprised of:		
Short-term		
- GIC 2.0% due June 24, 2019	\$ 20,000	\$ 20,000
- Due from general cash	<u>933</u>	<u>1,002</u>
	<u>\$ 20,933</u>	<u>\$ 21,002</u>
Terry Halifax Fund		
Principal proceeds received	\$ 21,000	\$ 21,000
Interest earned to date	2	2
Expenses to date	<u>(69)</u>	<u>-</u>
	<u>\$ 20,933</u>	<u>\$ 21,002</u>

#### NOTE 7 PORTFOLIO INVESTMENTS

(Not applicable)

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 8      ACCOUNTS RECEIVABLE**

	<u>Accounts Receivable</u>	<u>Allowance</u>	<u>2019</u>	<u>2018</u>
Government of the Northwest Territories: - Education, Culture and Employment	\$ <u>68,351</u>	\$ <u>-</u>	\$ <u>68,351</u>	\$ <u>292,699</u>
Due from GNWT	<u>68,351</u>	<u>-</u>	<u>68,351</u>	<u>292,699</u>
Other Accounts receivable	<u>412,356</u>	<u>199,591</u>	<u>212,765</u>	<u>84,102</u>
	\$ <u><u>480,707</u></u>	\$ <u><u>199,591</u></u>	\$ <u><u>281,116</u></u>	\$ <u><u>376,801</u></u>

**NOTE 9      INVENTORY**

(Not applicable)

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2019</u>	<u>2018</u>
Government of the Northwest Territories:		
Education, Culture and Employment	\$ 25,525	\$ 4,900
Municipal and Community Affairs	5,318	24,813
Department of Finance	153,411	5,781
Department of Justice	-	8,839
Department of Petroleum Products	<u>1,100</u>	<u>-</u>
Government of the Northwest Territories	185,354	44,333
Related Parties	324,573	378,233
Accounts payable	204,831	75,124
Accrued payables	<u>261,831</u>	<u>462,944</u>
	976,589	960,634
Payroll Liabilities		
To GNWT (A)	4,906,250	3,099,472
Payroll Liabilities	<u>\$ 4,906,250</u>	<u>\$ 3,099,472</u>

Note A: Amount outstanding to be paid to GNWT by Council for salaries and wages paid by June 30.

Note B: Amount accrued by the Council for salaries and wage to be paid in July and August.

## BEAUFORT-DELTA EDUCATION COUNCIL

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

#### NOTE 11 DEFERRED REVENUE

	<u>2019</u>	<u>2018</u>
Education, Culture & Employment		
- Self Regulation	\$ 2,502	\$ -
- School & Public Library Services -Uluhaktuk FEA	13,518	-
- E- Learning	6,010	-
- Elders in School	-	6,399
Environment & Natural Resources		
- Species at risk	1,855	-
Library		
- School & Public Library Services - Ft. McPherson DEA	-	3,915
- School & Public Library Services - Aklavik DEA	7,755	-
Healthy and Social Services		
- Drop the Pop	3,701	3,700
Municipal & Community Affairs		
- Keepers	<u>4,646</u>	<u>-</u>
Government of the Northwest Territories	<u>-</u>	<u>14,014</u>
- Health Canada - Community Oral Health initiative	-	4,484
- Jordon Prinicipal	<u>1,055,549</u>	<u>-</u>
Government of Canada	<u>-</u>	<u>4,484</u>
Teetlit Gwich'in Council	30,205	-
Charities Aid Foundation - America	7,419	8,264
Hamlet of Paulatuk	-	4,000
Cross Country Canada Ski at School	3,986	100
Hamlet of Sachs Harbour	-	4,596
Inuvialuit Regional Corporation	4,791	53,647
Food First Foundation	8,036	7,493
Presidents Choice Foundation	3,888	-
First Light Research	15,000	-
Breakfast for Learning	16,027	9,436
Healthy Food for Learning	8,634	-
Tides - OTL - Collaborative Fund	64,544	26,866
NWT Parks & Rec Get Active NWT	<u>2,613</u>	<u>988</u>
	<u>\$ 1,260,679</u>	<u>\$ 133,888</u>

#### NOTE 12 CONTRIBUTION REPAYABLE

(Not applicable)

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### 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 POST-EMPLOYMENT BENEFITS, COMPENSATED ABSENCES AND TERMINATION BENEFITS

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, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2018 and the results extrapolated to June 30, 2018. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 17 POST-EMPLOYMENT BENEFITS, COMPENSATED ABSENCES AND TERMINATION BENEFITS, continued**

	<u>Severance and Removal</u>	<u>Compensated Absences</u>	<u>2019</u>	<u>2018</u>
Changes in Obligation:				
Accrued benefit obligations				
beginning of year	\$ 1,748,093	\$ 338,079	\$ 1,790,445	\$ 2,086,172
Current period benefit cost	121,962	28,432	150,394	150,394
Interest accrued	55,522	10,828	66,350	66,350
Benefit payments	(304,445)	(136,455)	(440,900)	(440,900)
Actuarial (gains)/losses	<u>(121,132)</u>	<u>49,561</u>	<u>(71,571)</u>	<u>(71,571)</u>
Accrued benefit obligations				
end of year	1,500,000	290,445	1,494,718	1,790,445
Unamortized net actuarial				
gain	<u>935,516</u>	<u>178,584</u>	<u>1,114,100</u>	<u>1,114,100</u>
Net future obligation	<u>2,435,516</u>	<u>469,029</u>	<u>2,608,818</u>	<u>2,904,545</u>
Total employee future				
benefits and compensated				
absences	2,435,516	469,029	2,608,818	2,904,545
Benefits Expense:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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:

	<u>Severance and Removal</u>	<u>Compensated Absences</u>	<u>Total</u>
2020	\$ 244,196	\$ 54,083	\$ 298,279
2021	214,087	45,917	260,004
2022	178,586	38,104	216,690
2023	154,285	31,802	186,087
2024	136,041	26,782	162,823
Next 5 years	621,776	112,929	734,705
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 1,548,971</u>	<u>\$ 309,617</u>	<u>\$ 1,858,588</u>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 17 POST-EMPLOYMENT BENEFITS, COMPENSATED ABSENCES AND TERMINATION BENEFITS, continued**

**NOTE 18 TRUST ASSETS UNDER ADMINISTRATION**

(Not applicable)

**NOTE 19 TANGIBLE CAPITAL ASSETS**

(Not applicable)

**NOTE 20 PREPAID EXPENSES**

	<u>2019</u>	<u>2018</u>
Canadian Association of School System Administrators	1,797	-
VISA charges	<u>2,719</u>	<u>8,181</u>
	<u>4,516</u>	<u>8,181</u>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 21 GNWT ASSETS PROVIDED AT NO COST**

	<u>Cost</u>	<u>Accumulated Amortization</u>	2019 <u>Net Book Value</u>	2018 <u>Net Book Value</u>
East Three Secondary School Carpentry shop	\$ 461,563	\$ 461,563	\$ -	\$ -
East Three Secondary School Auto Shop	541,689	499,262	42,427	57,856
Moose Kerr School	8,123,452	5,593,947	2,529,505	2,788,941
Aklavik Portable Classrooms	62,052	62,052	-	-
Chief Julius School	10,064,072	4,864,633	5,199,439	5,358,201
Mangilaluk School	7,146,891	4,901,532	2,245,359	2,454,230
Inualthuyak School	2,415,308	1,557,444	857,864	891,752
Helen Kalvak School	8,864,887	7,149,635	1,715,252	2,013,557
Angik School	3,811,262	2,253,540	1,557,722	1,574,003
Chief Paul Nittchie School	2,467,762	912,801	1,554,961	1,626,180
Moose Kerr Foundation Replacement	753,546	155,451	598,095	616,933
Tsiigehtchic Gym	1	-	1	1
Moose Kerr School - Ventilation	173,505	79,896	93,609	105,190
Angik School Retrofit	123,278	65,745	57,533	67,539
Helen Kalvak School Vent & DDC Retrofit	354,896	184,842	170,054	199,629
East Three New Inuvik School	108,222,857	18,222,392	90,000,465	90,680,254
Tsiigehtchic Gym Pilings	205,668	31,279	174,389	179,531
Aklavik Community Library	<u>234,794</u>	<u>115,934</u>	<u>118,860</u>	<u>124,729</u>
	<u>\$154,027,483</u>	<u>\$ 47,111,948</u>	<u>\$106,915,535</u>	<u>\$108,738,526</u>

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 22 CONTRACTUAL OBLIGATIONS

The Council has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2019:

	<u>Expiry Date</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
Equipment Leases	2022	\$ 182,23	\$ 182,230	\$ 182,230	\$ 45,147	\$ 591,837
Commercial Leases	2022	<u>146,10</u>	<u>73,050</u>	<u>-</u>	<u>-</u>	<u>219,150</u>
Total		<u>\$ 328,33</u>	<u>\$ 255,280</u>	<u>\$ 182,230</u>	<u>\$ 45,147</u>	<u>\$ 810,987</u>

### NOTE 23 CONTINGENCIES

(Not applicable)

### NOTE 24 RELATED PARTIES AND INTER-ENTITY 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.

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>Due to related parties</b>		
Accounts payable:		
Contributions		
Government of the Northwest Territories:		
Department of Education, Culture & Employment	\$ 25,525	\$ 4,900
Department of Municipal & Community Affairs	5,318	24,813
Department of Finance	153,410	5,781
Petroleum Products Division	1,100	-
Department of Justice	<u>-</u>	<u>8,839</u>
Government of the Northwest Territories	<u>185,353</u>	<u>44,333</u>
Other Related Parties:		
Various BDEC Schools	<u>324,573</u>	<u>378,233</u>
Total Accounts Payable	<u>509,926</u>	<u>422,566</u>
Due to Related Parties	\$ <u>509,926</u>	\$ <u>422,566</u>

	<u>Accounts Receivable</u>	<u>Allowance</u>	<u>Net 2019</u>	<u>2018</u>
<b>Due from related parties</b>				
Accounts receivable:				
Government of the Northwest Territories:				
Department of Education, Culture & Employment	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>292,699</u>
Government of the Northwest Territories	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,699</u>
Due from Related Parties	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>292,699</u>

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 25 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 26 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 27 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.

**BEAUFORT-DELTA EDUCATION COUNCIL**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

**NOTE 28 EXPENSES BY OBJECT**

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
Compensation	\$ 28,682,174	\$ 31,418,156	\$ 27,463,023
Other	<u>4,523,724</u>	<u>4,920,174</u>	<u>5,316,332</u>
	\$ <u>33,205,898</u>	\$ <u>36,338,330</u>	\$ <u>32,779,355</u>

**NOTE 29 SUBSEQUENT EVENTS**

(Not applicable)

**NOTE 30 COMPARATIVE FIGURES**

(Not applicable)

**NOTE 31 ECE OTHER CONTRIBUTIONS**

	<u>2019</u>	<u>2018</u>
French Program	\$ 75,000	\$ 95,000
eLearning	1,051,638	690,852
TLC - Gwichin	-	207,133
TLC - Inuvialuit	-	270,867
TLC	-	52,000
Library (Aklavik)	56,745	48,432
Public Library Services (Ft McPherson)	30,925	34,987
Community Literacy Projects (Ft McPherson)	33,654	28,672
Literacy (Ulukhaktok)	13,329	12,131
Library (Ulukhaktok)	<u>40,833</u>	<u>34,546</u>
	\$ <u>1,302,124</u>	\$ <u>1,474,620</u>

# BEAUFORT-DELTA EDUCATION COUNCIL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

### NOTE 32 GNWT OTHER CONTRIBUTIONS

	<u>2019</u>	<u>2018</u>
Encounters with Canada	8,000	-
SCES - Snack Program	3,851	-
E3E Playground	-	1,022
Self Regulation & Action Research (ECE)	6,498	10,000
Ivvavik	10,000	10,000
Others (Finance)	22,110	-
Library operations	(10,933)	60,933
RYS - Basketball (MACA)	2,493	4,650
RYS - Soccer (MACA)	2,250	3,482
NGDG Summit (MACA)	29,852	43,245
RYS - Volleyball (MACA)	500	500
GNWT - RYS Hockey (MACA)	4,904	324
Drop the Pop (H & SS)	21,794	19,309
Under 100 Club	1,676	-
TAKT	44,687	-
After School Physical Activity (MACA)	122,400	127,400
Take a Kid Trapping (ITI)	-	2,577
Keepers (MACA)	23,554	20,743
Misc revenue (Ulukhaktok)	<u>200</u>	<u>1,670</u>
	<u><u>293,836</u></u>	<u><u>305,855</u></u>

### NOTE 33 CONTINGENT ASSETS

(Not applicable)

### NOTE 34 CONTRACTUAL RIGHTS

(Not applicable)

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Schedule 1**

**CONSOLIDATED DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	<u>Aboriginal Languages/Cultural Programs</u>	<u>Administration</u>	<u>Inclusive Schooling</u>	<u>School Programs</u>	<u>Student Accommodations</u>	<u>Operations &amp; Maintenance</u>	<u>Total</u>
<b>SALARIES:</b>							
Teachers	\$ 1,163,425	\$ -	\$ 1,471,398	\$ 12,700,303	\$ -	\$ -	\$ 15,335,126
Instruction Assistants	925	-	-	80,637	-	-	81,562
Non-instructional Staff	274,640	1,333,352	3,523,383	2,624,869	-	-	7,756,244
Board/Trustee Honoraria	127,591	79,855	-	35,467	-	-	242,913
<b>EMPLOYEE BENEFITS</b>							
Employee Benefit/Allowance	496,209	509,489	1,990,454	4,779,708	-	190,976	7,966,836
Leave and Termination	-	-	-	35,474	-	-	35,474
<b>SERVICES PURCHASED/ CONTRACTED</b>							
Professional/Technical Services	-	63,161	2,388	-	-	-	65,549
Postage/Communication	830	38,224	-	98,297	3,920	-	141,271
Utilities & Leases	-	-	-	8,719	-	-	8,719
Travel	87,061	149,780	101,948	473,042	5,583	4,955	822,369
Student Travel	39,712	-	-	156,660	159,350	-	355,722
Advertising/Printing/Publishing	35	3,900	-	-	-	-	3,935
Maintenance/Repair	8,137	16,369	-	102,079	-	-	126,585
Rentals/Leases	15,125	18,721	6,850	204,041	-	155,073	399,810
Others	6,000	47,696	2,320	56,628	-	499,737	612,381
Contracted Services	20,905	103,567	95,260	525,583	-	-	745,315
<b>MATERIALS/SUPPLIES/FREIGHT</b>							
Materials	110,783	146,754	38,176	922,032	250	-	1,217,995
Furniture and Equipment	10,716	95,854	58,957	257,155	-	-	422,682
Freight	4,198	17,005	5,974	93,847	-	-	121,024
<b>CONTRIBUTIONS/TRANSFERS</b>							
Transfers - Other	-	-	(123,182)	-	-	-	(123,182)
<b>Total</b>	<u>\$ 2,366,292</u>	<u>\$ 2,623,727</u>	<u>\$ 7,173,926</u>	<u>\$ 23,154,541</u>	<u>\$ 169,103</u>	<u>\$ 850,741</u>	<u>\$ 36,338,330</u>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Schedule 2**

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS  
INCLUSIVE SCHOOLING EXPENSES**

For the Year Ended June 30, 2019

<u>FUNCTION</u>	<u>General Inclusive Schooling</u>	<u>Staff Development</u>	<u>Assistive Technology</u>	<u>Student Resources</u>	<u>Total</u>
<u>SALARIES</u>					
Program Support Teachers	\$ 1,471,398	\$ -	\$ -	\$ -	\$ 1,471,398
Consultants	264,832	-	-	-	264,832
Support Assistants	1,377,397	-	-	-	1,320,985
Non Instructional Staff	313,676	-	54,689	-	1,937,566
<u>EMPLOYEE BENEFITS</u>					
Employee Benefits/Allowances	1,426,480	-	-	-	1,990,454
<u>SERVICES PURCHASED/ CONTRACTED</u>					
Professional/Technical Services	324	-	-	-	2,388
Travel	33,571	47,794	-	-	101,948
Rentals/Leases	-	-	-	-	6,850
Other Contracted Services	98,030	17,974	-	-	95,260
Others	-	-	-	-	2,320
<u>MATERIAL/SUPPLIES/FREIGHT</u>					
Materials	32,199	-	23,459	-	38,176
Furniture and Equipment	6,580	-	-	-	58,957
Freight	<u>5,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,974</u>
<b>TOTAL</b>	<b>\$ <u>5,030,064</u></b>	<b>\$ <u>65,768</u></b>	<b>\$ <u>78,148</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>7,297,108</u></b>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Schedule 3**

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS  
INDIGENOUS LANGUAGES AND EDUCATION EXPENSES**

For the Year Ended June 30, 2019

<u>FUNCTION</u>	<u>Student Instruction</u>	<u>Teaching/ Learning Resources</u>	<u>Professional Development</u>	<u>School Activities and Integrated Community Programs</u>	<u>Total</u>
<u>SALARIES</u>					
ALCBE Teachers	\$ 1,163,425	\$ -	\$ -	\$ -	\$ 1,163,425
Language Consultants	212,842	-	-	-	212,842
Instruction Assistants	925	-	-	-	925
Non Instructional Staff	-	-	-	61,798	61,798
Honoraria	-	1,334	8,526	117,731	127,591
Elders in Schools	56,597	-	-	(56,597)	-
<u>EMPLOYEE BENEFITS</u>					
Employee Benefits/Allowances	487,265	-	-	8,944	496,209
<u>SERVICES PURCHASED/ CONTRACTED</u>					
Travel	18,907	9,048	49,394	9,712	87,061
Student Transportation (bussing)	-	-	-	39,712	39,712
Advertising/Printing/Publishing	-	-	-	35	35
Maintenance/Repair	-	-	-	8,137	8,137
Rentals/Leases	-	-	-	15,125	15,125
Other Contracted Services	830	14,245	-	6,660	21,735
Others	-	-	-	6,000	6,000
<u>MATERIAL/SUPPLIES/FREIGHT</u>					
Materials	10,861	9,276	5,202	85,444	110,783
Furniture and Equipment	6,834	893	-	2,989	10,716
Freight	<u>1,564</u>	<u>-</u>	<u>235</u>	<u>2,399</u>	<u>4,198</u>
<b>TOTAL</b>	<b><u>\$ 1,960,050</u></b>	<b><u>\$ 34,796</u></b>	<b><u>\$ 63,357</u></b>	<b><u>\$ 308,089</u></b>	<b><u>\$ 2,366,292</u></b>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Schedule 4**

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS  
INDIGENOUS LANGUAGES AND EDUCATION (CONTRIBUTIONS)**

For the Year Ended June 30, 2019

<u>Contribution Agreement Indigenous Languages</u>	<u>Budget</u>	<u>July 1 to March 31</u>	<u>April 1 to June 30</u>	<u>Total</u>
<b>Revenue</b>	<u>-</u>	<u>2,344,276</u>	<u>603,577</u>	<u>2,947,853</u>
<b>Expenses</b>				
Salaries	<u>-</u>	<u>1,414,444</u>	<u>788,441</u>	<u>2,202,885</u>
Other - O & M	<u>-</u>	<u>149,930</u>	<u>139,355</u>	<u>289,285</u>
<b>Total Expenses</b>	<u>-</u>	<u>1,564,374</u>	<u>927,796</u>	<u>2,492,170</u>
<b>Net Surplus (Deficit)</b>				<u><u>455,683</u></u>

**BEAUFORT-DELTA EDUCATION COUNCIL**

Schedule 5

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS  
FRENCH LANGUAGE PROGRAM  
For the Year Ended June 30, 2019**

	ECE Contributions July <u>1 to June 30</u>	Commitment from Beaufort Delta <u>Education Council</u>	Total Expenses <u>July 1 to June 30</u>
<b>Bilateral Agreement Funding</b>			
<b>Special Projects:</b>			
Teacher's Assistant Salary	\$ 60,000	\$ 19,423	\$ 79,423
Core French 1:12 Salary	-	36,145	36,145
French Resources	5,000	2,214	7,214
Cultural Activities	5,000	(5,000)	-
Professional Development	5,000	(5,000)	-
French Monitor	-	10,631	10,631
Mentorship with YCS on Immersion Program	<u>15,000</u>	<u>-</u>	<u>15,000</u>
<b>Total</b>	<b><u>\$ 90,000</u></b>	<b><u>\$ 58,413</u></b>	<b><u>\$ 148,413</u></b>
<b>Regular GNWT Funding</b>			
Immersion Program	\$ 75,000		
Mentorship YCS	\$ 15,000		
CMEC Odysseel Program	\$ -		
GNWT - ECE - Food Allowance	<u>29,725</u>		
<b>Total</b>	<b><u>\$ 119,725</u></b>		

**BEAUFORT-DELTA EDUCATION COUNCIL**

Schedule 6

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS**

**JORDAN'S PRINCIPLE**

For the Year Ended June 30, 2019

	2019 <u>Budget</u> <u>Unaudited</u>	2019 <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>Revenue</b>			
First Nations and Inuit Health Branch	\$ <u>2,292,274</u>	\$ <u>3,442,807</u>	\$ <u>-</u>
Total Revenue	<u>2,292,274</u>	<u>3,442,807</u>	<u>-</u>
<b>Expenses</b>			
Administration	-	94,982	-
Personnel	2,215,184	2,215,184	-
Transportation	20,582	20,582	-
Materials and Supplies	54,602	54,602	-
Other	<u>1,906</u>	<u>1,906</u>	<u>-</u>
Total Expenses	<u>2,292,274</u>	<u>2,387,256</u>	<u>-</u>
Deferred Revenue	<u><u>\$ -</u></u>	<u><u>\$ 1,055,551</u></u>	<u><u>\$ -</u></u>

# BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 7

## NORTHERN DISTANCE LEARNING

For the Year Ended June 30, 2019

Contribution Agreement <u>Northern Distance Learning (NDL)</u>	<u>Budget</u>	<u>July 1 to March 31</u>	<u>April 1 to June 30</u>	<u>Total</u>
<b>Revenue</b>				
Government of the NWT	1,058,417	663,127	388,511	1,051,638
Other	<u>190,541</u>	<u>142,906</u>	<u>47,635</u>	<u>190,541</u>
	<u>1,248,958</u>	<u>806,033</u>	<u>436,146</u>	<u>1,242,179</u>
<b>Expenses</b>				
Teacher and Support	600,000	495,935	150,979	646,914
Moodle Dev	113,000	-	-	-
DL Co-ordinator	150,000	109,292	49,796	159,088
IT Support	90,000	68,141	34,959	103,100
Co-ordinator Transportation	30,415	19,154	5,103	24,257
In-service Release	4,104	-	-	-
Professional Development	2,000	300	2,500	2,800
Classroom Materials	-	2,686	760	3,446
Hardware and Software	-	45,470	63,097	108,567
Document Camera	3,000	-	-	-
Phones	8,000	625	550	1,175
Laptop	48,100	-	-	-
Video (Monopad)	182,450	-	-	-
Wireless Adapters and Splitters	9,500	-	-	-
Freight	-	796	6,719	7,515
Amendment 1: shared portion of 1 year license	1,000	-	1,000	1,000
Amendment 2: microphone speaker	610	-	-	-
Amendment 4: art document camera	2,067	-	-	-
Amendment 5: mondopad Ft. Resolution	<u>4,712</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenses</b>	<u>1,248,958</u>	<u>742,399</u>	<u>315,463</u>	<u>1,057,862</u>
<b>Net Surplus (Deficit)</b>	<u>-</u>	<u>63,634</u>	<u>120,683</u>	<u>184,317</u>

**BEAUFORT-DELTA EDUCATION COUNCIL**

**Schedule 8**

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS  
STUDENT SUCCESS INITIATIVE  
For the Year Ended June 30, 2019**

**NWT Student Success Initiative  
Professional Development Initiative**

**Title of Project: Ongoing Development of Collaborative Teams and Response to Intervention**

	<u>2019</u>
Revenue	<u>101,660</u>
Expenses:	
<b>Travel</b>	
Air Charter	102,110
Accommodation	75,117
Daily Per Diems	47,454
<b>Workshop Expenses</b>	
Room Rental	1,000
Miscellaneous	<u>47,978</u>
Total Expenses	<u>273,659</u>
Net Surplus (Deficit)	<u><u>(171,999)</u></u>

**AKLAVIK DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION**

For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 18,178	\$ 36,772
Due from Related Parties	4,238	4,654
Accounts Receivable	<u>-</u>	<u>15,999</u>
	<u>22,416</u>	<u>57,425</u>
<b>LIABILITIES</b>		
Payroll Liabilities	608	731
Deferred Revenue	<u>7,755</u>	<u>6,897</u>
	<u>8,363</u>	<u>7,628</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 14,053</u>	<u>\$ 49,797</u>

**AKLAVIK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 64,700	\$ 68,747	\$ 74,077
Other ECE contributions	49,500	56,745	48,432
Other Government of Canada	-	-	(80)
Other	<u>5,600</u>	<u>14,532</u>	<u>8,810</u>
<b>TOTAL REVENUE</b>	<u>119,800</u>	<u>140,024</u>	<u>131,239</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	4,623	21,537
Administration	14,170	27,682	37,557
School Programs	<u>100,010</u>	<u>143,463</u>	<u>80,954</u>
<b>TOTAL EXPENSES</b>	<u>114,180</u>	<u>175,768</u>	<u>140,048</u>
<b>OPERATING SURPLUS (DEFICIT)</b>	5,620	(35,744)	(8,809)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>49,797</u>	<u>49,797</u>	<u>58,606</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 55,417</u>	<u>\$ 14,053</u>	<u>\$ 49,797</u>

**AKLAVIK DISTRICT EDUCATION AUTHORITY  
DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	Aboriginal Languages/Cultural <u>Programs</u>	<u>Administration</u>	School <u>Programs</u>	<u>Total</u>
<b>SALARIES:</b>				
Non-instructional Staff	\$ -	\$ 121	\$ 53,968	\$ 54,089
Board/Trustee Honoraria	-	3,750	-	3,750
<b>EMPLOYEE BENEFITS</b>				
Employee Benefit/Allowance	-	-	3,908	3,908
<b>SERVICES PURCHASED/ CONTRACTED</b>				
Postage/Communication	-	2,182	265	2,447
Travel	-	1,497	-	1,497
Student Travel	-	-	2,700	2,700
Rentals/Leases	-	-	21,035	21,035
Others	3,000	1,774	8,500	13,274
Contracted Services	810	-	3,276	4,086
<b>MATERIALS/SUPPLIES/FREIGHT</b>				
Materials	813	11,467	37,240	49,520
Furniture and Equipment	-	5,002	12,571	17,573
Freight	-	1,889	-	1,889
	<u>-</u>	<u>1,889</u>	<u>-</u>	<u>1,889</u>
<b>Total</b>	<u>\$ 4,623</u>	<u>\$ 27,682</u>	<u>\$ 143,463</u>	<u>\$ 175,768</u>

**FT MCPHERSON DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 35,729	\$ 44,515
Due from Related Parties	2,394	2,260
Accounts Receivable	<u>56,027</u>	<u>19,076</u>
	<u>94,150</u>	<u>65,851</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	32,458	41,003
Due to Related Parties	8,224	8,224
Payroll Liabilities	1,452	2,000
Deferred Revenue	<u>53,793</u>	<u>7,357</u>
	<u>95,927</u>	<u>58,584</u>
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<u>\$ (1,777)</u>	<u>\$ 7,267</u>

**FT MCPHERSON DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 63,612	\$ 58,874	\$ 78,697
Other ECE contributions	60,000	64,579	63,659
Other	<u>12,000</u>	<u>42,065</u>	<u>61,534</u>
<b>TOTAL REVENUE</b>	<u>135,612</u>	<u>165,518</u>	<u>203,890</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	19,669	66,845
Administration	35,289	61,134	59,552
Inclusive Schooling	-	-	23,722
School Programs	<u>100,323</u>	<u>93,759</u>	<u>67,839</u>
<b>TOTAL EXPENSES</b>	<u>135,612</u>	<u>174,562</u>	<u>217,958</u>
<b>OPERATING DEFICIT</b>	-	(9,044)	(14,068)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>7,267</u>	<u>7,267</u>	<u>21,335</u>
<b>CLOSING ACCUMULATED SURPLUS (DEFICIT)</b>	<u>\$ 7,267</u>	<u>\$ (1,777)</u>	<u>\$ 7,267</u>

**FT MCPHERSON DISTRICT EDUCATION AUTHORITY  
DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	<u>Aboriginal Languages/Cultural Programs</u>	<u>Administration</u>	<u>School Programs</u>	<u>Total</u>
<b>SALARIES:</b>				
Instruction Assistants	-	-	44,492	44,492
Non-instructional Staff	13,104	36,024	-	49,128
Board/Trustee Honoraria	-	5,500	-	5,500
<b>EMPLOYEE BENEFITS</b>				
Employee Benefit/Allowance	4,415	1,104	1,839	7,358
<b>SERVICES PURCHASED/ CONTRACTED</b>				
Professional/Technical Services	-	100	-	100
Postage/Communication	-	2,553	-	2,553
Rentals/Leases	-	-	14,640	14,640
Others	-	1,006	15,510	16,516
<b>MATERIALS/SUPPLIES/FREIGHT</b>				
Materials	2,150	14,847	16,236	33,233
Freight	-	-	1,042	1,042
<b>Total</b>	<u>\$ 19,669</u>	<u>\$ 61,134</u>	<u>\$ 93,759</u>	<u>\$ 174,562</u>

**INUVIK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 73,865	\$ 72,594
Due from Related Parties	24,521	107,102
Accounts Receivable	<u>11,103</u>	<u>6,229</u>
	<u>109,489</u>	<u>185,925</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	83,978	119,466
Payroll Liabilities	1,997	4,160
Deferred Revenue	<u>6,708</u>	<u>42,470</u>
	<u>92,683</u>	<u>166,096</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 16,806</u>	<u>\$ 19,829</u>

**INUVIK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 84,355	\$ 110,056	\$ 191,435
Other	<u>20,800</u>	<u>113,694</u>	<u>73,956</u>
<b>TOTAL REVENUE</b>	<u>105,155</u>	<u>223,750</u>	<u>265,391</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	50,014	172,936
Administration	90,509	90,892	155,392
School Programs	<u>14,646</u>	<u>85,867</u>	<u>115,738</u>
<b>TOTAL EXPENSES</b>	<u>105,155</u>	<u>226,773</u>	<u>444,066</u>
<b>OPERATING DEFICIT</b>	-	(3,023)	(178,675)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>19,829</u>	<u>19,829</u>	<u>198,504</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 19,829</u>	<u>\$ 16,806</u>	<u>\$ 19,829</u>

**INUVIK DISTRICT EDUCATION AUTHORITY  
DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	Aboriginal Languages/Cultural Programs	Administration	School Programs	<u>Total</u>
<b>SALARIES:</b>				
Instruction Assistants	375	-	-	\$ 375
Non-instructional Staff	45,108	71,753	8,964	125,825
Board/Trustee Honoraria	-	6,775	-	6,775
<b>EMPLOYEE BENEFITS</b>				
Employee Benefit/Allowance	4,496	4,300	977	9,773
<b>SERVICES PURCHASED/ CONTRACTED</b>				
Postage/Communication	-	2,545	-	2,545
Utilities & Leases	-	-	283	283
Advertising/Printing/Publishing	35	-	-	35
Rentals/Leases	-	-	13,130	13,130
Others	-	4,444	9,414	13,858
Contracted Services	-	467	50,940	51,407
<b>MATERIALS/SUPPLIES/FREIGHT</b>				
Materials	-	608	2,159	2,767
<b>Total</b>	<u>\$ 50,014</u>	<u>\$ 90,892</u>	<u>\$ 85,867</u>	<u>\$ 226,773</u>

**PAULATUK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 3,846	\$ 11,228
Due from Related Parties	<u>2,637</u>	<u>3,596</u>
	<u>6,483</u>	<u>14,824</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	-	6,000
Payroll Liabilities	2,259	674
Deferred Revenue	<u>2,069</u>	<u>6,371</u>
	<u>4,328</u>	<u>13,045</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 2,155</u>	<u>\$ 1,779</u>

**PAULATUK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget <u>(Unaudited)</u>	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 26,365	\$ 26,365	\$ 43,618
Other	<u>13,500</u>	<u>12,607</u>	<u>13,947</u>
<b>TOTAL REVENUE</b>	<u>39,865</u>	<u>38,972</u>	<u>57,565</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	-	8,146
Administration	21,365	28,749	31,572
School Programs	<u>18,500</u>	<u>9,847</u>	<u>17,512</u>
<b>TOTAL EXPENSES</b>	<u>39,865</u>	<u>38,596</u>	<u>57,230</u>
<b>OPERATING SURPLUS</b>	-	376	335
<b>OPENING ACCUMULATED SURPLUS</b>	<u>1,779</u>	<u>1,779</u>	<u>1,444</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 1,779</u>	<u>\$ 2,155</u>	<u>\$ 1,779</u>

**PAULATUK DISTRICT EDUCATION AUTHORITY**  
**DETAILS OF EXPENSES**  
For the Year Ended June 30, 2019

	<u>Administration</u>	<u>School Programs</u>	<u>Total</u>
<b>SALARIES:</b>			
Non-instructional Staff	\$ 16,573	\$ 7,859	\$ 24,432
Board/Trustee Honoraria	5,675	-	5,675
<b>EMPLOYEE BENEFITS</b>			
Employee Benefit/Allowance	1,308	615	1,923
<b>SERVICES PURCHASED/ CONTRACTED</b>			
Postage/Communication	959	-	959
Others	180	-	180
Contracted Services	2,721	-	2,721
<b>MATERIALS/SUPPLIES/FREIGHT</b>			
Materials	<u>1,333</u>	<u>1,373</u>	<u>2,706</u>
<b>Total</b>	<u>\$ 28,749</u>	<u>\$ 9,847</u>	<u>\$ 38,596</u>

**SACHS HARBOUR DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION**

For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 18,220	\$ 40,048
Due from Related Parties	<u>10,550</u>	<u>3,072</u>
	<u>28,770</u>	<u>43,120</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	66	10,000
Payroll Liabilities	453	1,014
Deferred Revenue	<u>-</u>	<u>4,596</u>
	<u>519</u>	<u>15,610</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 28,251</u>	<u>\$ 27,510</u>

**SACHS HARBOUR DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 26,376	\$ 30,972	\$ 31,871
Other	<u>-</u>	<u>-</u>	<u>7,749</u>
<b>TOTAL REVENUE</b>	<u>26,376</u>	<u>30,972</u>	<u>39,620</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	-	12,343
Administration	5,376	9,023	21,827
School Programs	<u>21,000</u>	<u>21,208</u>	<u>25,578</u>
<b>TOTAL EXPENSES</b>	<u>26,376</u>	<u>30,231</u>	<u>59,748</u>
<b>OPERATING SURPLUS</b>	-	741	(20,128)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>27,510</u>	<u>27,510</u>	<u>47,638</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 27,510</u>	<u>\$ 28,251</u>	<u>\$ 27,510</u>

**SACHS HARBOUR DISTRICT EDUCATION AUTHORITY  
DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	<u>Administration</u>	<u>School Programs</u>	<u>Total</u>
<b>SALARIES:</b>			
Teachers	\$ -	\$ 895	\$ 895
Non-instructional Staff	6,371	-	6,371
Board/Trustee Honoraria	1,450	-	1,450
<b>EMPLOYEE BENEFITS</b>			
Employee Benefit/Allowance	368	313	681
<b>SERVICES PURCHASED/ CONTRACTED</b>			
Others	58	-	58
Contracted Services	-	20,000	20,000
<b>MATERIALS/SUPPLIES/FREIGHT</b>			
Materials	<u>776</u>	<u>-</u>	<u>776</u>
<b>Total</b>	<u>\$ 9,023</u>	<u>\$ 21,208</u>	<u>\$ 30,231</u>

**TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 28,317	\$ 48,837
Due from Related Parties	857	1,638
Accounts Receivable	<u>2,700</u>	<u>1,350</u>
	<u>31,874</u>	<u>51,825</u>
<b>LIABILITIES</b>		
Payroll Liabilities	<u>63</u>	<u>251</u>
	<u>63</u>	<u>251</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 31,811</u>	<u>\$ 51,574</u>

**TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 8,569	\$ 8,569	\$ 23,391
Rentals	<u>2,000</u>	<u>5,850</u>	<u>3,362</u>
<b>TOTAL REVENUE</b>	<u>10,569</u>	<u>14,419</u>	<u>26,753</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	11,045	12,604
Administration	5,569	10,508	19,425
School Programs	<u>5,000</u>	<u>12,629</u>	<u>37,050</u>
<b>TOTAL EXPENSES</b>	<u>10,569</u>	<u>34,182</u>	<u>69,079</u>
<b>OPERATING DEFICIT</b>	-	(19,763)	(42,326)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>51,574</u>	<u>51,574</u>	<u>93,900</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 51,574</u>	<u>\$ 31,811</u>	<u>\$ 51,574</u>

**TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY**  
**DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

**SALARIES:**

Instruction Assistants  
 Board/Trustee Honoraria

**EMPLOYEE BENEFITS**

Employee Benefit/Allowance

**SERVICES PURCHASED/ CONTRACTED**

Student Travel

Others

Contracted Services

**MATERIALS/SUPPLIES/FREIGHT**

Materials

**Total**

	<u>Aboriginal Languages/Cultural Programs</u>	<u>Administration</u>	<u>School Programs</u>	<u>Total</u>
\$	550 \$	-	-	\$ 550
	-	3,100	-	3,100
	33	-	-	33
	8,022	-	1,561	9,583
	-	1,027	-	1,027
	1,950	2,700	-	4,650
	<u>490</u>	<u>3,681</u>	<u>11,068</u>	<u>15,239</u>
\$	<u>11,045</u> \$	<u>10,508</u> \$	<u>12,629</u> \$	<u>34,182</u>

**TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION**

For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 32,508	\$ 82,382
Due from Related Parties	35,612	17,922
Accounts Receivable	<u>20,265</u>	<u>4,729</u>
	<u>88,385</u>	<u>105,033</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	49,808	28,499
Due to Related Parties	8,394	8,394
Payroll Liabilities	1,999	4,268
Deferred Revenue	<u>6,010</u>	<u>5,318</u>
	<u>66,211</u>	<u>46,479</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 22,174</u>	<u>\$ 58,554</u>

**TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 118,705	\$ 141,489	\$ 196,404
Regular contributions	-	29,636	-
Other Government of Canada	38,500	38,835	40,917
Other	<u>43,000</u>	<u>69,852</u>	<u>71,946</u>
<b>TOTAL REVENUE</b>	<u>200,205</u>	<u>279,812</u>	<u>309,267</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	3,853	37,601
Administration	50,378	93,995	65,624
Inclusive Schooling	-	-	31,856
School Programs	<u>149,827</u>	<u>218,344</u>	<u>125,875</u>
<b>TOTAL EXPENSES</b>	<u>200,205</u>	<u>316,192</u>	<u>260,956</u>
<b>OPERATING DEFICIT</b>	-	(36,380)	48,311
<b>OPENING ACCUMULATED SURPLUS</b>	<u>58,554</u>	<u>58,554</u>	<u>10,243</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 58,554</u>	<u>\$ 22,174</u>	<u>\$ 58,554</u>

**TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY  
DETAILS OF EXPENSES**

For the Year Ended June 30, 2019

	Aboriginal Languages/Cultural Programs	Administration	School Programs	Total
<b>SALARIES:</b>				
Non-instructional Staff	-	\$ 58,000	\$ 77,944	\$ 135,944
Board/Trustee Honoraria	-	5,700	-	5,700
<b>EMPLOYEE BENEFITS</b>				
Employee Benefit/Allowance	-	4,121	9,837	13,958
<b>SERVICES PURCHASED/ CONTRACTED</b>				
Utilities & Leases				
Travel	-	-	2,308	2,308
Rentals/Leases	3,000	318	5,658	8,976
Others	-	6,250	12,000	18,250
Contracted Services	-	1,969	-	1,969
<b>MATERIALS/SUPPLIES/FREIGHT</b>				
Materials	739	15,629	40,817	57,185
Freight	114	950	-	1,064
<b>Total</b>	<u>\$ 3,853</u>	<u>\$ 93,995</u>	<u>\$ 218,344</u>	<u>\$ 316,192</u>

**ULUKHAKTOK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 19,551	\$ 12,468
Due from Related Parties	2,178	3,771
Accounts Receivable	<u>(364)</u>	<u>-</u>
	<u>21,365</u>	<u>16,239</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	719	1,014
Payroll Liabilities	610	924
Deferred Revenue	<u>13,518</u>	<u>-</u>
	<u>14,847</u>	<u>1,938</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 6,518</u>	<u>\$ 14,301</u>

**ULUKHAKTOK DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL OPERATIONS**  
For the Year Ended June 30, 2019

	2019 Budget <u>(Unaudited)</u>	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
Contributions from Divisional Council	\$ 42,861	\$ 42,861	\$ 67,457
Other ECE contributions	52,500	54,162	46,677
Other contributions	-	200	1,669
Rentals	-	384	2,946
Other	<u>16,982</u>	<u>13,676</u>	<u>31,383</u>
<b>TOTAL REVENUE</b>	<u>112,343</u>	<u>111,283</u>	<u>150,132</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	-	3,586	24,864
Administration	18,090	15,963	42,614
School Programs	<u>94,253</u>	<u>99,517</u>	<u>91,364</u>
<b>TOTAL EXPENSES</b>	<u>112,343</u>	<u>119,066</u>	<u>158,842</u>
<b>OPERATING DEFICIT</b>	-	(7,783)	(8,710)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>14,301</u>	<u>14,301</u>	<u>23,011</u>
<b>CLOSING ACCUMULATED SURPLUS</b>	<u>\$ 14,301</u>	<u>\$ 6,518</u>	<u>\$ 14,301</u>

**ULUKHAKTOK DISTRICT EDUCATION AUTHORITY**  
**DETAILS OF EXPENSES**  
For the Year Ended June 30, 2019

	Aboriginal Languages/Cultural <u>Programs</u>	<u>Administration</u>	School <u>Programs</u>	<u>Total</u>
<b>SALARIES:</b>				
Non-instructional Staff	\$ 3,586	\$ 3,119	\$ 66,252	\$ 72,957
Board/Trustee Honoraria	-	8,825	2,275	11,100
<b>EMPLOYEE BENEFITS</b>				
Employee Benefit/Allowance	-	309	2,789	3,098
<b>SERVICES PURCHASED/ CONTRACTED</b>				
Student Travel	-	-	4,648	4,648
Others	-	1,380	5,200	6,580
<b>MATERIALS/SUPPLIES/FREIGHT</b>				
Materials	-	2,330	18,353	20,683
<b>Total</b>	<u>\$ 3,586</u>	<u>\$ 15,963</u>	<u>\$ 99,517</u>	<u>\$ 119,066</u>

**NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL  
STATEMENT OF FINANCIAL POSITION**

For the year ended June 30, 2019

	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	\$ 10,658,739	\$ 8,988,662
Accounts Receivable	191,385	329,418
Restricted Assets	<u>282,512</u>	<u>282,334</u>
	<u>11,132,636</u>	<u>9,600,414</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	809,560	754,652
Due to Related Parties	66,369	127,397
Payroll Liabilities	4,896,850	3,085,474
Employee Deductions Payable	1,970	2,586
Deferred Revenue	1,170,826	60,879
Post-Employment Benefits	2,808,281	3,083,496
Trust Liabilities	<u>282,511</u>	<u>282,334</u>
	<u>10,036,367</u>	<u>7,396,818</u>
<b>NET FINANCIAL RESOURCES</b>	<u>1,096,269</u>	<u>2,203,596</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid Expenses	<u>4,516</u>	<u>8,181</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 1,100,785</u>	<u>\$ 2,211,777</u>

**NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL**  
**STATEMENT OF FINANCIAL OPERATIONS**

For the Year Ended June 30, 2019

	2019 Budget (Unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
<b>REVENUE</b>			
<b>Government of the NWT</b>			
Regular contributions	\$ 29,257,170	\$ 30,073,557	\$ 29,046,637
Other ECE contributions	90,000	1,126,638	1,315,852
Other contributions	<u>50,000</u>	<u>293,636</u>	<u>304,186</u>
<b>Total Government of the NWT</b>	<u>29,397,170</u>	<u>31,493,831</u>	<u>30,666,675</u>
<b>Government of Canada</b>			
Jordan Prinicpal	-	2,387,257	-
Other Government of Canada	-	8,200	950
<b>Total Government of Canada</b>	<u>-</u>	<u>2,395,457</u>	<u>950</u>
<b>Board Generated Funds</b>			
Investment Income	110,000	162,271	129,169
Other	<u>723,158</u>	<u>548,342</u>	<u>341,316</u>
<b>Total Board Generated Funds</b>	<u>833,158</u>	<u>710,613</u>	<u>470,485</u>
<b>TOTAL REVENUE</b>	<u>30,230,328</u>	<u>34,599,901</u>	<u>31,138,110</u>
<b>EXPENSES</b>			
Aboriginal Languages/Cultural Programs	2,587,513	2,299,203	3,133,336
Administration	3,282,354	2,475,623	2,547,337
Inclusive Schooling	5,163,040	7,297,108	5,653,162
School Programs	20,773,471	22,619,115	19,877,711
Student Accommodations	140,920	169,103	136,391
Operations & Maintenance	<u>825,000</u>	<u>850,741</u>	<u>730,441</u>
<b>TOTAL EXPENSES</b>	<u>32,772,298</u>	<u>35,710,893</u>	<u>32,078,378</u>
<b>OPERATING DEFICIT</b>	(2,541,970)	(1,110,992)	(940,268)
<b>OPENING ACCUMULATED SURPLUS</b>	<u>2,211,777</u>	<u>2,211,777</u>	<u>3,152,045</u>
<b>CLOSING ACCUMULATED SURPLUS (DEFICIT)</b>	<u>\$ (330,193)</u>	<u>\$ 1,100,785</u>	<u>\$ 2,211,777</u>

**NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL**  
**DETAILS OF EXPENSES**  
For the Year Ended June 30, 2019

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Student Accommodations	Operations & Maintenance	Total
<b>SALARIES:</b>							
Teachers	\$ 1,163,425	\$ -	\$ 1,471,398	\$ 12,699,408	\$ -	\$ -	\$ 15,334,231
Instruction Assistants	-	-	-	36,145	-	-	36,145
Non-instructional Staff	212,842	1,141,391	3,523,383	2,409,882	-	-	7,287,498
Board/Trustee Honoraria	127,591	39,080	-	33,192	-	-	199,863
<b>EMPLOYEE BENEFITS</b>							
Employee Benefit/Allowance	487,265	497,979	1,990,454	4,759,430	-	190,976	7,926,104
Leave and Termination	-	-	-	35,474	-	-	35,474
<b>SERVICES PURCHASED/ CONTRACTED</b>							
Professional/Technical Services	-	63,061	2,388	-	-	-	65,449
Postage/Communication	830	29,985	-	98,032	3,920	-	132,767
Utilities & Leases	-	-	-	6,128	-	-	6,128
Travel	84,061	147,965	101,948	467,384	5,583	4,955	811,896
Student Travel	31,690	-	-	147,751	159,350	-	338,791
Advertising/Printing/Publishing	-	3,900	-	-	-	-	3,900
Maintenance/Repair	8,137	16,369	-	102,079	-	-	126,585
Rentals/Leases	15,125	12,471	6,850	143,236	-	155,073	332,755
Others	3,000	35,858	2,320	18,004	-	499,737	558,919
Contracted Services	18,145	96,621	95,260	381,587	-	-	591,613
<b>MATERIALS/SUPPLIES/FREIGHT</b>							
Materials	106,591	96,083	38,176	794,786	250	-	1,035,886
Furniture and Equipment	10,716	90,852	58,957	244,584	-	-	405,109
Freight	4,084	14,166	5,974	92,805	-	-	117,029
<b>CONTRIBUTIONS/TRANSFERS</b>							
Transfers - Other	25,701	189,842	-	149,208	-	-	364,751
<b>Total</b>	<u>\$ 2,299,203</u>	<u>\$ 2,475,623</u>	<u>\$ 7,297,108</u>	<u>\$ 22,619,115</u>	<u>\$ 169,103</u>	<u>\$ 850,741</u>	<u>\$ 35,710,893</u>

**Commission scolaire francophone  
Territoires du Nord-Ouest**

**Financial Statements**

**June 30, 2019**

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**Commission scolaire francophone Territoires du Nord-Ouest**

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## Commission scolaire francophone Territoires du Nord-Ouest

### Généralités

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 comptes.

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

- 1) Fournir les meilleurs programmes d'éducation possibles selon les ressources financières allouées.
- 2) Gérer les ressources financières avec compétence et être redevable de 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 au titre de l'exercice fiscal-2018-19-sont-comme-suit:-

<b>Nom</b>	<b>Titre</b>
Simon Cloutier	Président
Sarah Poitras	Vice-présidente
Jean De Dieu Tuyishime	Commissaire
Nicole Fournier	Commissaire
Marie-Eve Martel	Commissaire
Michael St-Amour	Commissaire

La-Commission-scolaire-francophone-TNO-gère-deux-écoles-publiques-en-français-langue-première-de-la-prématernelle-à-la-12<sup>e</sup>-année:-

- l'école Allain St-Cyr-à-Yellowknife-et-
- -l'école Boréale à Hay River.-

### Personnel de la Commission scolaire francophone

En-2018-19,-le-personnel-(en-terme-de-FTE)-de-la-CSFTNO-se-chiffrait-à-37.0-FTE-et-se-présente-comme-suit:-

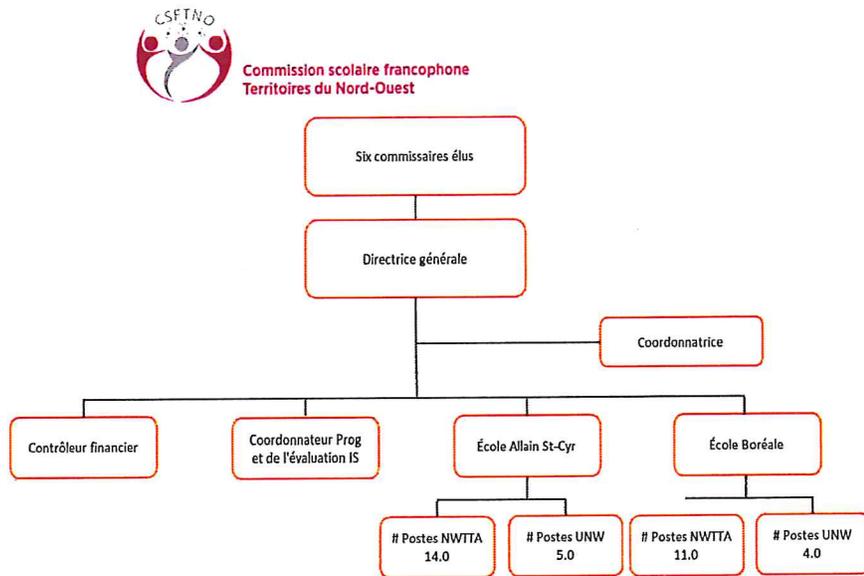
- Bureau-central:-3-FTE-
- École-Allain-St-Cyr-(EASC):-19-FTE-
- École-Boréale:-15-FTE-

### Effectif des élèves

Au-30-septembre-2018,-129.5-élèves-fréquentaient-l'école Allain St-Cyr-et-93.0-l'école Boréale.-

## Organigramme de la Commission scolaire francophone

L'organigramme de la Commission scolaire francophone des TNO pour l'année 2018-2019 se présente comme suit:--



## Plan stratégique 2015-2020

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;-

- Entretien-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.-

-

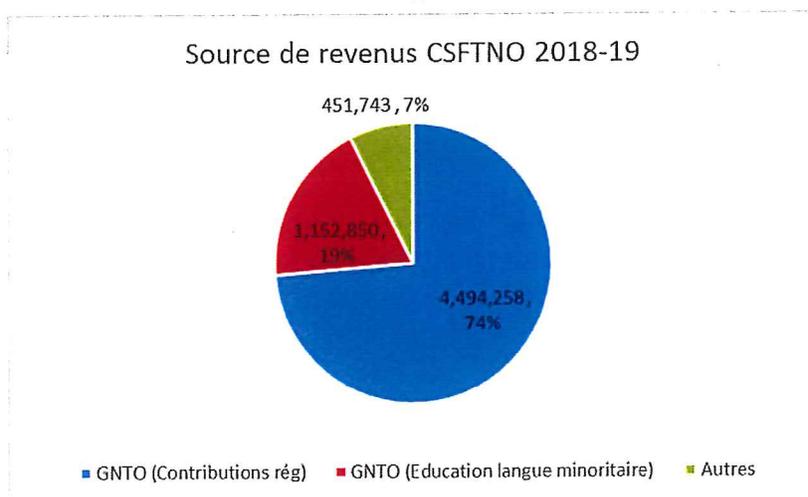
#### Priorité : Gestion et gouvernance efficaces

- 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 en 3 catégories :-

- Les contributions régulières calculées par le Cadre de financement scolaire des Territoires du Nord-Ouest (4.494-M\$);-
- La contribution provenant de l'entente *Enseignement en français langue de la minorité* de Patrimoine canadien (1.153-M\$);-
- Les autres revenus provenant essentiellement des autres contributions du gouvernement (GTNO) et du Principe de Jordan s'élèvent à 452 k\$-



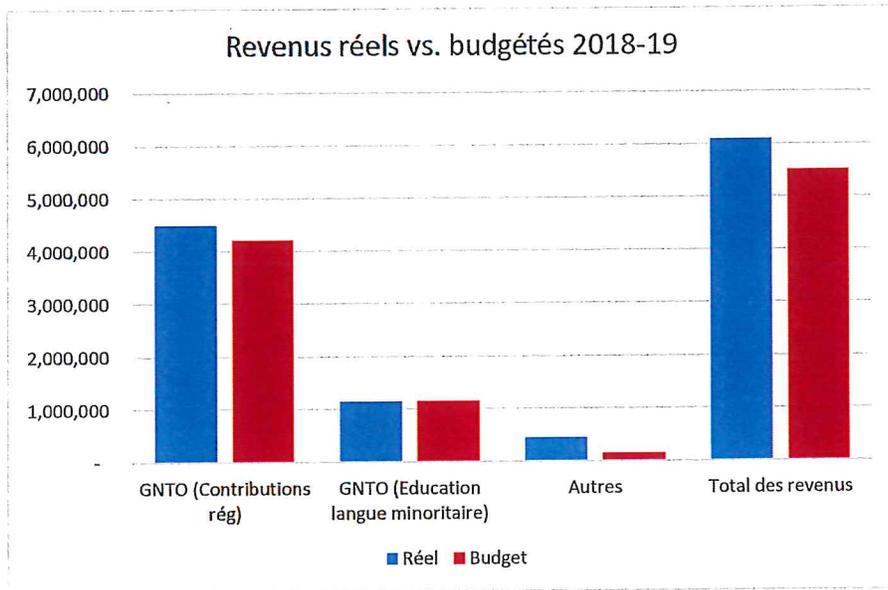
En-2018-2019, -la-Commission-scolaire-francophone-TNO-a-enregistré-des-revenus-d'une-somme-de-6.099-M\$-comparativement-à-un-montant-budgété-de-5.504-M\$. - Cette-variance-de-595-k\$-s'explique principalement par les facteurs suivants :-

- Une hausse des contributions régulières de 287-k\$, - notamment due au financement exceptionnel<sup>1</sup>-obtenu-de-236-k\$. - Cela fait suite au respect des conditions cumulatives des critères de variation absolue (hausse minimale de 10 élèves par rapport à l'année scolaire précédente) et de variation relative (la hausse doit représenter au moins 8%)-

<sup>1</sup>-Extraordinary-Enrolment-Fund-

- La mise en place du Programme «-Principe de Jordan-»-qui a permis le financement de trois élèves autochtones à besoins spéciaux pour un montant de 157 k\$-
- 
- Une levée de fonds à hauteur de 105 k\$ qui a servi exclusivement au financement de l'aménagement du gymnase de l'école Allain St-Cyr.-
- 

Voici un tableau illustrant les revenus réels comparativement aux revenus budgétés:-



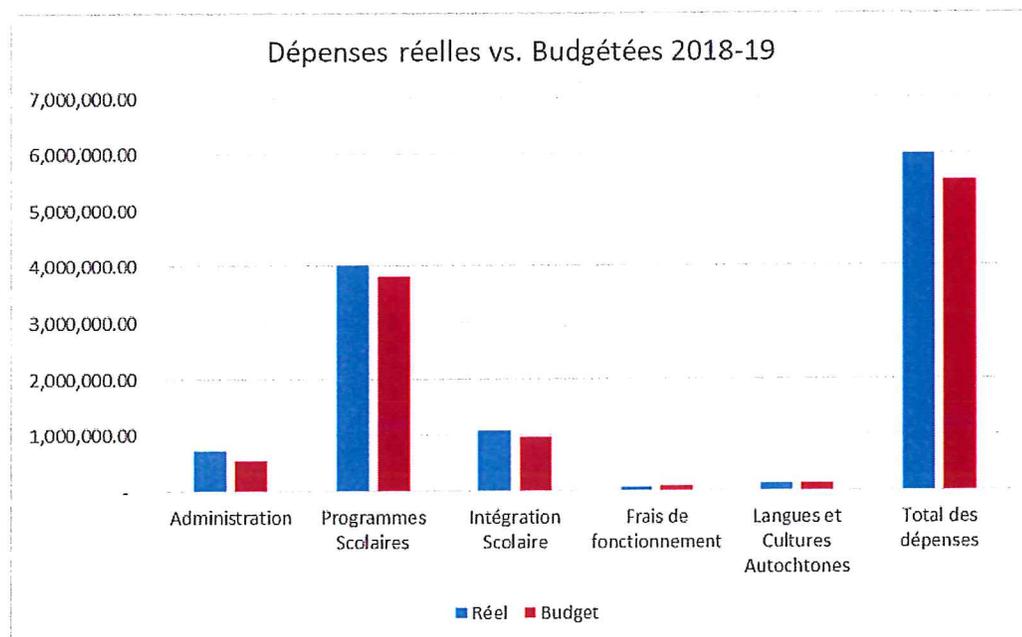
## Dépenses

Le total des dépenses de la Commission scolaire francophone TNO au 30 juin 2019 se chiffre à 7.36-M\$ comparativement à un budget approuvé de 5.532-M\$, soit un léger dépassement de 1.83-M\$.-

Ce dépassement s'explique essentiellement par les facteurs suivants:-

- Une hausse des dépenses opérationnelles de 341-k\$ compensées par le financement obtenu du Principe de Jordan et du financement exceptionnel obtenu (*Extraordinary Enrolment Fund*);-
- Une hausse des frais d'avocat dans le cas du procès des admissions scolaires d'environ 106 k\$ dont une partie sera remboursée dans le cadre du Programme de contestation judiciaire;-
- Les travaux d'aménagement du gymnase de 111 k\$ ;-
- Une dépense extraordinaire de 1.269-M\$ relative aux dépens réclamés par le GTNO dans le cadre du procès contre la CSFTNO.- Cette dépense fera l'objet d'une entente de règlement supposée débiter en 2020-2021.-

Voici un tableau illustrant les dépenses réelles comparativement (hors dépense extraordinaire) aux dépenses budgétées par programme:-





## Langue-et-cultures-autochtones-

Ce programme comprend les salaires et avantages sociaux des enseignants, ainsi que les matériaux et les fournitures reliés au programme de Langue et culture autochtones. L'exercice fiscal 2018-2019 s'est soldé par des dépenses réelles de 0.131 M\$ contre un budget de 0.126 M\$.

## Perspectives 2019-20

L'année 2018-2019 a été marquée par le procès sur les admissions scolaires et la décision du GTNO de réclamer le montant des dépens payés à la CSFTNO pour un montant de 1.269 M\$. Au sujet des admissions scolaires, le refus de la Ministre d'accepter l'admission de quelques cas que le Conseil d'administration et la direction générale ont estimés recevables ouvrira la voie à un appel en court. La haute direction a donc décidé de consacrer une partie des ressources à la résolution de ce litige.

Par ailleurs, la dépense extraordinaire qui doit faire l'objet d'un plan de remboursement est venue aggraver le déficit de la CSFTNO. Selon la loi sur l'éducation, la CSFTNO devra soumettre un plan de recouvrement de cette dépense.

Enfin, la CSFTNO expérimente une augmentation de l'effectif des élèves à École Allain-St-Cyr (au moins 20 élèves représentant environ 16%) qui ouvrirait droit pour la deuxième consécutive à l'obtention d'un financement extraordinaire dont le montant n'est pas encore connu.

## Sommaire

En 2018-19, la Commission scolaire francophone TNO a approuvé un surplus opérationnel (hors évaluation actuarielle des retraites, hors dépense extraordinaire et hors honoraires d'avocat) de 108,828.74\$ contre un déficit budgété de 28,870\$.

La prise en compte de tous les éléments non opérationnels aboutit à un déficit de 1.262 M\$ créant ainsi un déficit cumulé de 1.244 M\$.

Malgré ce déficit, les fonds budgétés pour l'année fiscale 2018-2019 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, 2019**

The Management Discussion and Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed and approved by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Commission scolaire francophone Territoires 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 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 Commission

  
Yvonne Careen **Directrice générale**

  
Marc Akpoe, MBA, CPA, CMA, FRA **Contrôleur financier**

**September 23, 2019**

## Independent Auditors' Report

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

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of Commission Scolaire Francophone Territoires du Nord-Ouest ("the Commission") which comprise the statement of financial position as at June 30, 2019 and the statements of operations, changes in net financial asset, and its cash flows for the year then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effect of the matters described in the *Basis of Qualified Opinion* paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at June 30, 2019 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### **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 expenses and related balances. Accordingly, we were not able to determine whether any adjustments might be necessary to salaries and benefits expenses, employee deductions payable, vacation payable, salaries and wages payable, post-employment benefits payable and accumulated surplus (deficit).

During the year, the Commission generated a significant amount of revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Commission. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, operating deficit, cash flows from operations, current assets and accumulated deficit for the year ended June 30, 2019. Our audit opinion on the financial statements for the year ended June 30, 2019 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Other Information**

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independent Auditors' Report (continued)

### ***Responsibilities for Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## **Independent Auditors' Report (continued)**

### ***Report on Other Legal and Regulatory Requirements***

In conjunction with the audit of the financial statements, we have audited transactions of the Commission coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Government of the Northwest Territories - Department of Education, Culture and Employment.

In our opinion, the transactions of the Commission that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above.

Management is responsible for the Commission's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the entity to comply with the specified authorities.

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

**Yellowknife, Northwest Territories  
September 23, 2019**

*Crowe MacKay LLP*

**Chartered Professional Accountants**

Commission scolaire francophone Territoires du Nord-Ouest

Statement of Financial Position

As at June 30, 2019 2018

Financial Assets

Cash (Note 4)	\$ 1,474,672	\$ 1,663,870
Accounts receivable (Note 8)	131,704	116,571
	<b>1,606,376</b>	<b>1,780,441</b>

Liabilities

Accounts payable and accrued liabilities (Note 10)	1,950,408	770,530
Payroll liabilities (Note 10)	466,387	425,695
Deferred revenue (Note 11)	3,500	37,365
Post-employment benefits (Note 17)	438,004	539,726
	<b>2,858,299</b>	<b>1,773,316</b>

Net financial assets (liabilities) (1,251,923) 7,125

Non-financial assets

Prepaid expenses and deposits (Note 20)	7,721	10,421
Accumulated surplus (deficit)	\$ (1,244,202)	\$ 17,546

Represented By:

Operating surplus (deficit) \$ (1,244,202) \$ 17,546

Contractual obligations and contingencies (Note 22 and 23)

Approved on behalf of the Board:

  
Trustee  
Simon Cloutier

  
Trustee  
Jean de Dieu TOYISHIME

Commission scolaire francophone Territoires du Nord-Ouest

Statement of Operations

For the year ended June 30,	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
<b>Government of the NWT</b>			
ECE Regular contributions	\$ 4,207,035	\$ 4,494,258	\$ 4,329,408
French language instruction	1,152,850	1,152,850	1,152,850
ECE Other contributions (Note 32)	109,500	92,449	110,925
<b>Total GNWT ECE</b>	<b>5,469,385</b>	<b>5,739,557</b>	<b>5,593,183</b>
GNWT Other contributions (Note 33)	-	40,711	33,384
<b>Total GNWT</b>	<b>5,469,385</b>	<b>5,780,268</b>	<b>5,626,567</b>
<b>Government of Canada</b>			
Jordan's Principle	-	156,209	-
Other contributions	24,250	-	25,531
	<b>24,250</b>	<b>156,209</b>	<b>25,531</b>
<b>Education body generated funds</b>			
Northwest Territories Teachers' Association Contributions	-	24,397	-
Interest	10,000	32,050	22,588
Other revenue	-	930	1,598
	<b>10,000</b>	<b>57,377</b>	<b>24,186</b>
	<b>5,503,635</b>	<b>5,993,854</b>	<b>5,676,284</b>
<b>Expenses (Schedule 1)</b>			
Administration	533,057	727,344	631,768
School programs	3,824,933	4,011,034	4,249,102
Inclusive schooling	966,307	1,064,475	834,534
Operations and maintenance	82,000	60,096	1,805
Aboriginal languages	126,207	130,792	159,550
	<b>5,532,504</b>	<b>5,993,741</b>	<b>5,876,759</b>
<b>Operating deficit before other items</b>	<b>(28,869)</b>	<b>113</b>	<b>(200,475)</b>
<b>Other items</b>			
Post-employment benefit recovery (Note 17)	-	13,942	16,825
Grant in-kind - Assets provided at no cost (Note 21)	-	813,376	344,165
Rent expense - Assets provided at no cost (Note 21)	-	(813,376)	(344,165)
Repayment to GNWT (Note 24)	-	(1,269,573)	-
Special purpose fund - fundraising revenue (Note 5)	-	104,997	13,986
Special purpose fund - fundraising expense (Note 5)	-	(111,227)	-
<b>Adjusted operating deficit</b>	<b>(28,869)</b>	<b>(1,261,748)</b>	<b>(169,664)</b>
<b>Opening accumulated surplus</b>	<b>17,546</b>	<b>17,546</b>	<b>187,210</b>
<b>Closing accumulated surplus (deficit)</b>	<b>\$ (11,323)</b>	<b>\$ (1,244,202)</b>	<b>\$ 17,546</b>

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**Commission scolaire francophone Territoires du Nord-Ouest**

**Statement of Changes in Net Financial Assets (Liabilities)**

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<b>For the year ended June 30,</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Adjusted operating deficit</b>	<b>\$ (28,869)</b>	<b>\$ (1,261,748)</b>	<b>\$ (169,664)</b>
<b>Use (acquisition) of prepaid expenses and deposits</b>	<b>-</b>	<b>2,700</b>	<b>(2,415)</b>
<b>Decrease in net financial assets</b>	<b>(28,869)</b>	<b>(1,259,048)</b>	<b>(172,079)</b>
<b>Net financial assets, beginning of year</b>	<b>7,125</b>	<b>7,125</b>	<b>179,204</b>
<b>Net financial assets (liabilities), end of year</b>	<b>\$ (21,744)</b>	<b>\$ (1,251,923)</b>	<b>\$ 7,125</b>

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Commission scolaire francophone Territoires du Nord-Ouest

**Statement of Cash Flows**

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For the year ended June 30,	2019	2018
<b>Cash provided by (used in):</b>		
<b>Operating transactions</b>		
Operating deficit	\$ (1,261,748)	\$ (169,664)
<b>Changes in non-cash assets and liabilities</b>		
Decrease (increase) in accounts receivable	(15,133)	89,983
Increase in accounts payable	1,179,878	136,141
Increase (decrease) in payroll liabilities	40,692	(30,816)
Increase (decrease) in deferred revenue	(33,865)	25,065
Decrease in post-employment benefits	(101,722)	(70,799)
Decrease (increase) in prepaid expenses and deposits	2,700	(2,415)
<b>Decrease in cash</b>	<b>(189,198)</b>	<b>(22,505)</b>
<b>Cash at beginning of year</b>	<b>1,663,870</b>	<b>1,686,375</b>
<b>Cash at end of year</b>	<b>\$ 1,474,672</b>	<b>\$ 1,663,870</b>

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Commission scolaire francophone Territoires du Nord-Ouest

Schedule 1  
Details of Expenses

For the year ended June 30, 2019

	School Programs	Inclusive Schooling (schedule 4)	Operations and Maintenance	Administration	Aboriginal Languages (schedule 2)	Total 2019	Budget 2019	Total 2018
<b>Salaries</b>								
Teacher salaries	\$ 3,074,668	\$ 308,351	\$ -	\$ -	\$ 53,601	\$ 3,436,620	\$ 3,452,731	\$ 3,612,478
Instruction assistants	115,375	513,971	-	-	-	629,346	555,478	476,989
Non-instruction staff	326,847	152,959	-	391,180	-	870,986	860,389	828,798
Board/trustee honoraria	-	-	-	33,904	16,697	50,601	42,000	33,555
Elders in schools	-	-	-	-	10,125	10,125	10,000	8,858
	3,516,890	975,281	-	425,084	80,423	4,997,678	4,920,598	4,960,678
<b>Employee Benefits</b>								
Employee benefit	-	-	33,111	-	-	33,111	33,000	28,160
Leave and termination	-	-	26,985	-	-	26,985	45,000	(26,355)
	-	-	60,096	-	-	60,096	78,000	1,805
<b>Services Purchased/Contracted</b>								
Advertising/Publishing	5,050	-	-	38,359	-	43,409	8,500	44,670
Communication	13,332	-	-	13,448	-	26,780	21,240	28,119
Contracted services	73,888	41,912	-	157,603	-	273,403	36,000	157,215
Maintenance & repairs	40,530	-	-	-	-	40,530	24,500	23,711
Other	34,045	25,778	-	29,361	-	89,184	84,700	105,700
Rental/leases	35,629	-	-	3,632	-	39,261	13,500	112,030
Student travel	58,793	-	-	-	-	58,793	58,000	52,455
Travel	24,899	4,494	-	36,551	15,510	81,454	59,679	79,250
	286,166	72,184	-	278,954	15,510	652,814	306,119	603,150
<b>Supplies and Materials</b>								
Freight	2,573	-	-	163	-	2,736	1,750	4,481
Materials	205,405	17,010	-	23,143	34,859	280,417	226,037	306,645
	207,978	17,010	-	23,306	34,859	283,153	227,787	311,126
<b>Total</b>	\$ 4,011,034	\$ 1,064,475	\$ 60,096	\$ 727,344	\$ 130,792	\$ 5,993,741	\$ 5,532,504	\$ 5,876,759

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Commission scolaire francophone Territoires du Nord-Ouest

Schedule 2  
Details of Aboriginal Language and Culture Expenses

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For the year ended June 30, 2019

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	Student Instructions	School Activities & Integrated Community Programs	Total
<b>Salaries</b>			
ALCBE teachers	\$ 53,601	\$ -	\$ 53,601
Honoraria	-	16,697	16,697
Elders in the schools	-	10,125	10,125
	<b>53,601</b>	<b>26,822</b>	<b>80,423</b>
<b>Services Purchased/Contracted</b>			
Travel	-	15,510	15,510
	-	<b>15,510</b>	<b>15,510</b>
<b>Materials/Supplies/Freight</b>			
Materials	-	<b>34,859</b>	<b>34,859</b>
	<b>\$ 53,601</b>	<b>\$ 77,191</b>	<b>\$ 130,792</b>

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Commission scolaire francophone Territoires du Nord-Ouest

Schedule 3

Aboriginal Languages (contributions)

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For the year ended June 30, 2019

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<b>Contribution agreement</b>	<b>July 1 to March 31</b>	<b>April 1 to June 30</b>	<b>Total</b>
<b>Revenues</b>			
Funding received	\$ 75,906	\$ 50,102	\$ 126,008
	<b>75,906</b>	<b>50,102</b>	<b>126,008</b>
<b>Expenses</b>			
Salaries	64,532	15,892	80,424
Other	15,789	34,579	50,368
	<b>80,321</b>	<b>50,471</b>	<b>130,792</b>
<b>Net deficit</b>	<b>\$ (4,415)</b>	<b>\$ (369)</b>	<b>\$ (4,784)</b>

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Commission scolaire francophone Territoires du Nord-Ouest

Schedule 4  
**Details of Inclusive Schooling Expenses**

For the year ended June 30, 2019

	Staff Development	Student Resources	General Inclusive Schooling	Total
<b>Salaries</b>				
Non-Instructional Staff	\$ -	\$ -	\$ 152,959	\$ 152,959
Program support teachers	-	-	308,351	308,351
Support assistants	-	-	513,971	513,971
		-	<b>975,281</b>	<b>975,281</b>
<b>Services Purchased/Contracted</b>				
Contracted services	-	-	41,912	41,912
Other	25,778	-	-	25,778
Travel	-	-	4,494	4,494
	<b>25,778</b>	-	<b>46,406</b>	<b>72,184</b>
<b>Materials/Supplies/Freight</b>				
Freight	-	-	-	-
Materials	-	17,010	-	17,010
	-	<b>17,010</b>	-	<b>17,010</b>
	<b>\$ 25,778</b>	<b>\$ 17,010</b>	<b>\$ 1,021,687</b>	<b>\$ 1,064,475</b>

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**Commission scolaire francophone Territoires du Nord-Ouest****Schedule 5  
French Language Funding**

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**For the year ended June 30, 2019**

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	<b>Contributions from ECE</b>	<b>Commitments from Commission</b>	<b>Expenses</b>	<b>(Under) Over Funding</b>
<b>STUDENT PARTICIPATION</b>				
School administration (salary)	\$ 275,000	\$ 20,000	\$ 321,844	\$ (26,844)
Retention bursaries	12,000	-	8,750	3,250
2 grade level per class (salary)	410,850	1,725,000	2,594,640	(458,790)
2 secretaries / librarian (salary)	70,000	48,000	174,276	(56,276)
<b>SCHOOL PROGRAMS</b>				
Cyber pedagogy (salary)	50,000	10,000	60,744	(744)
Technology resources	45,000	-	52,384	(7,384)
<b>PROGRAM ENRICHMENT</b>				
Partnership early childhood	25,000	-	5,000	20,000
Teacher assistants for francization (salary)	100,000	20,000	115,375	4,625
Art program	75,000	-	62,824	12,176
Cultural activities	30,000	-	45,215	(15,215)
French resource purchase	25,000	5,000	46,103	(16,103)
<b>EDUCATIONAL SUPPORT FOR PERSONNEL</b>				
Mentors in literacy and numeracy	10,000	-	44,613	(34,613)
Mentors in literacy and numeracy (O&M)	15,000	-	23,965	(8,965)
Professional development	10,000	10,000	53,551	(33,551)
<b>Total</b>	<b>\$ 1,152,850</b>	<b>\$ 1,838,000</b>	<b>\$ 3,609,284</b>	<b>\$ (618,434)</b>

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**Commission scolaire francophone Territoires du Nord-Ouest**

**Schedule 6  
Student Success Initiative**

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**For the year ended June 30, 2019**

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	<b>Total</b>
<b>Revenue - Government of the NWT Education, Culture, &amp; Employment</b>	<b>\$ 15,000</b>
<b>Expenses</b>	
<b>Salaries/Wages</b>	26,754
Facilitator fees	583
Substitute teacher	
<b>Total expenses</b>	<b>27,337</b>
<b>Deficit</b>	<b>\$ (12,337)</b>

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Commission scolaire francophone Territoires du Nord-Ouest

Schedule 7  
Jordan's Principle

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For the year ended June 30, 2019

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	Budget 2019	Actual 2019	Actual 2018
<b>Revenue</b>			
Government of Canada			
- First Nations and Inuit Health Branch			
Other funding	351,042	156,209	-
<b>Expenses</b>			
Personnel	-	141,816	-
Contracted services	-	2,940	-
<b>Total expenses</b>	-	144,756	-
<b>Net surplus</b>	\$ -	\$ 11,453	\$ -
<b>Deferred revenue</b>	\$ -	\$ 3,500	\$ -

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June 30, 2019

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## 1. Nature of the Organization

The Commission scolaire francophone Territoires du Nord-Ouest ("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 financial statements of the Commission have been prepared in accordance with Canadian public sector accounting standards. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality. The financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity, which is composed of all organizations, two schools, which are controlled by the Commission.

The basis of accounting refers to the timing of when revenue and expense items are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized. 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

Cash is 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 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 and accounts receivable.

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

June 30, 2019

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## 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

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 of the Commission include prepaid expenses and deposits.

### (e) Tangible Capital Assets

All tangible capital assets used by the Commission are purchased by and are the property of the GNWT. The Minister grants to the Commission 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 expense.

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.

### (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.

June 30, 2019

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**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 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 two installments in November and February. 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.

**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 reasonably estimated.

**Special purpose funds**

School activity funds which are fully controlled by the Commission 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 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. See Note 5.

The distinctions between the treatment of School and Student activity funds are under review. See Note 3.

June 30, 2019

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## 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(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, expenses and net operating surplus (deficit). 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 budget for the fiscal year. The budget has not been audited.

### (h) 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. Management makes accounting estimates when determining significant accrued liabilities, post-employment benefits liabilities and the related costs charged to the statement of operations. Actual results could differ from these estimates, the impact of which would be recorded in future periods.

### (i) Inventories Including Materials and Supplies

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

### (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.

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June 30, 2019

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**2. Significant Accounting Policies (continued)**

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

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 (except maternal and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

**(l) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expenses. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**(m) Foreign Currency Translation**

The Commission only transacts in Canadian dollars. As such there is no foreign currency translation.

**(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 exists; 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, 2019.

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.

**(o) 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.

June 30, 2019

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## 2. Significant Accounting Policies (continued)

### (p) Segment disclosure

The Schedule of Details of Expenses has been prepared in accordance with PS Handbook Section PS 2700 – Segment Disclosures. The segments selected are to enable users to better understand the government reporting entity and the major expense activities of the Board. For each reported segment, expenses represent amounts directly attributable to each segment. Segments include:

**School Programs:** pertains to the provision of instructional services that falls under the basic public education mandate.

**Inclusive Schooling:** pertains to access to quality education for all students by effectively meeting their diverse needs.

**Operations and Maintenance:** pertains to the daily operation and maintenance of the Commission.

**Administration:** pertains to the provision of board governance and central office administration.

**Aboriginal Languages:** pertains to indigenous language resource development, support for language teachers and instructors, and enhance community engagement.

## 3. Future Accounting Changes

### Asset Retirement Obligations, Proposed Section PS 3280

This section will be effective for fiscal years beginning on or after July 1, 2021 and it intended to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset retirement obligations, including obligations that may not have previously been reported. This section would require public sector entities to review existing contract, legislation, regulations, and other resources to identify retirement activities associated with its controlled tangible capital assets.

### Revenue, Section PS 3400

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

### 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 financial statements of the Commission in the future.

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**4. Cash**

	2019	2018
Cash	\$ 1,474,672	\$ 1,663,870

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

**5. Special Purpose Funds - Fundraising Revenue**

Since 2017-18 fiscal year, the Commission has held several events in order to raise funds for the purchase of various equipment and accessories for the gymnasium. All of the expenses were incurred in current fiscal year, totaling \$112,927. As of June 30, 2019, the Commission recognized fundraising revenue of \$104,997 (2018: \$13,986).

**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 2019	Allowance for doubtful accounts 2019	Net 2019	Net 2018
Due from related parties	\$ 15,770	\$ -	\$ 15,770	\$ -
Due from GNWT	35,947	-	35,947	77,992
Trade and other receivables	80,317	330	79,987	38,579
	\$ 132,034	\$ 330	\$ 131,704	\$ 116,571

**9. Inventory**

The Commission does not have inventory.

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**10. Accounts Payable and Accrued Liabilities**

	2019	2018
Due to GNWT	\$ 1,663,846	\$ 590,184
Due to related parties	22,036	22,911
Due to Workers' Safety and Compensation Commission	(134)	4,801
Trade payable	264,660	152,634
	<b>\$ 1,950,408</b>	<b>\$ 770,530</b>

**Payroll Liabilities**

	2019	2018
NWTTA	\$ 307,311	\$ 313,084
UNW	39,718	55,007
Other	119,358	57,604
	<b>\$ 466,387</b>	<b>\$ 425,695</b>

**11. Deferred Revenue**

Deferred revenue consists of funding received for expenses not yet incurred at year end.

	2019	2018
<b>Government of the Northwest Territories</b>		
<b>Government of Canada</b>		
Indigenous Services Canada - Jordan's Principle	3,500	-
<b>Other</b>		
Fundraising campaign	-	37,365
	<b>\$ 3,500</b>	<b>\$ 37,365</b>

**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.

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**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.

**Valuation results**

The actuarial valuation was completed as at March 31, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2019 and the results extrapolated to June 30, 2019. The values presented below are for all of the benefits under the post-employment benefits for the Commission.

Commission scolaire francophone Territoires du Nord-Ouest

Notes to Consolidated Financial Statements

June 30, 2019

17. Post-Employment Benefits (continued)

Changes in Obligation	Severance and Removal	Compensated Absences	2019	2018
Accrued benefit obligation beginning of year	\$ 183,864	\$ 56,826	\$ 240,690	\$ 242,372
Current period benefit cost	16,783	5,893	22,676	23,480
Interest accrued	7,265	2,253	9,518	8,385
Benefits payments	(45,230)	(42,549)	(87,779)	(53,974)
Actuarial loss	39,166	46,625	85,791	20,427
<b>Accrued benefit obligation end of year</b>	<b>201,848</b>	<b>69,048</b>	<b>270,896</b>	<b>240,690</b>
Unamortized net actuarial gain	151,548	15,560	167,108	299,036
<b>Total accrued liability</b>	<b>\$ 353,396</b>	<b>\$ 84,608</b>	<b>\$ 438,004</b>	<b>\$ 539,726</b>
Benefits Expense				
Current period benefit cost	\$ 16,783	\$ 5,893	\$ 22,676	\$ 23,480
Interest accrued	7,265	2,253	9,518	8,385
Amortization of gains	(34,269)	(11,867)	(46,136)	(48,690)
<b>Total benefits recovery</b>	<b>\$ (10,221)</b>	<b>\$ (3,721)</b>	<b>\$ (13,942)</b>	<b>\$ (16,825)</b>

The discount rate used in the 2019 fiscal year to determine the accrued benefit obligation was an average of 3.2% (2018 - 3.8%).

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**17. Post-Employment Benefits (continued)**

The expected payments during the next five fiscal years are:

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
2020	25,196	7,539	<b>32,735</b>
2021	25,837	8,090	<b>33,927</b>
2022	22,325	7,281	<b>29,606</b>
2023	19,702	6,357	<b>26,059</b>
2024	15,142	4,278	<b>19,420</b>
Next 5 years	84,042	26,475	<b>110,517</b>
<b>Total</b>	<b>192,244</b>	<b>60,020</b>	<b>252,264</b>

**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**

	<b>2019</b>	<b>2018</b>
Prepaid expenses	<b>\$ 7,721</b>	<b>\$ 10,421</b>

**21. GNWT Assets Provided At No Cost**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2019 Net Book Value</b>	<b>2018 Net Book Value</b>
Ecole Allain St-Cyr	\$ 17,122,293	\$ 2,165,822	\$ 14,956,471	\$ 1,759,610
Ecole Boreale	3,960,439	1,227,848	2,732,591	2,625,663
Ecole Allain St-Cyr Phase 1	4,490,598	1,330,948	3,159,650	3,289,499
Ecole Boreale Modular Units	1,189,060	301,613	887,447	920,014
Ecole Boreale Pellet Boiler	86,115	39,828	46,287	52,284
	<b>26,848,505</b>	<b>5,066,059</b>	<b>21,782,446</b>	<b>8,647,070</b>

Rent expense of \$813,376 (2018 - \$344,165) was offset by a grant in-kind.

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**22. Contractual Obligations**

The Commission has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2019.

The future minimum payments are as follows:

	<b>Expires in fiscal year</b>	<b>2020</b>	<b>2020-2023</b>	<b>Total</b>
<b>Equipment leases</b>				
Xerox B8055 MONO MFP	2024	\$ 3,109	\$ 10,882	\$ 13,991
Xerox C8045 COLOUR MFP	2024	4,011	14,040	18,051
Aficio MP C4502	2022	2,052	3,078	5,130
		<b>\$ 9,172</b>	<b>\$ 28,000</b>	<b>\$ 37,172</b>

**23. Contingencies**

The Commission does not have any contingencies to disclose as of June 30, 2019.

**24. Repayment to GNWT**

In early June 2012, a judgment 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 judgment 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.

During this fiscal year, the GNWT has determined the costs owed by the Commission resulting from the appeal to be \$1,269,573. As such, this amount is recognized as a liability in current year. While the terms of repayment is to be determined, it is planned to commence in the fiscal year 2020-21.

**25. 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. These transactions 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. 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 as follows:

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**25. Related Parties (continued)**

<b>Due from related parties:</b>	<b>2019</b>		<b>2018</b>	
Government of Northwest Territories:				
Department of Education, Culture and Employment	\$	35,947	\$	77,992
Yellowknife Education District No. 1		15,700		-
	\$	<b>51,647</b>	\$	<b>77,992</b>

<b>Due to related parties:</b>	<b>2019</b>		<b>2018</b>	
Government of Northwest Territories:				
Department of Education, Culture and Employment	\$	4,072	\$	-
Department of Finance		2,126,161		1,014,109
Department of Infrastructure		-		1,770
		<b>2,130,233</b>		<b>1,015,879</b>
Other related parties:				
Dehcho Divisional Education Council		-		300
Hay River District Education Authority		22,036		2,898
Yellowknife Education District No.1		-		19,713
	\$	<b>2,152,269</b>	\$	<b>1,038,790</b>

<b>Revenue from related parties:</b>	<b>2019</b>		<b>2018</b>	
Government of Northwest Territories:				
Department of Education, Cultural and Employment		5,739,557		4,484,333
Department of Environment and Natural Resources		8,000		-
Department of Municipal and Community Affairs		27,600		30,024
Department of Health and Social Services		5,111		3,360
	\$	<b>5,780,268</b>	\$	<b>4,517,717</b>

<b>Expenses paid to related parties:</b>	<b>2019</b>		<b>2018</b>	
Dehcho Divisional Education Council	\$	300	\$	300
Hay River District Education Authority		48,228		36,118
Yellowknife Education District No.1		19,713		25,788
	\$	<b>68,241</b>	\$	<b>62,206</b>

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**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**26. 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 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 Commission.

The budget figures presented are those approved by the Department of ECE on September 13, 2018 and have not been audited.

**27. 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.

**28. Financial Instruments**

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 comprised of:

	2019	2018
Cash	\$ 1,474,672	\$ 1,663,870
Accounts receivable	131,704	116,571
<b>Maximum credit exposure</b>	<b>\$ 1,606,376</b>	<b>\$ 1,780,441</b>

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.

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**28. Financial Instruments (continued)**

At June 30, 2019, the following accounts receivable were past due but not impaired:

	<b>30 Days</b>	<b>60 Days</b>	<b>90 Days</b>	<b>90+ Days</b>	<b>Total</b>
Accounts receivable	\$ 78,085	\$ -	\$ 1,478	\$ 52,141	\$ 131,704

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, 2019, receivables from the GNWT comprised approximately 28% (2018 - 67%) 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.

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

**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 and accrued liabilities, and payroll liabilities for a total \$2,416,795 (2018 - \$1,196,225).

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

**29. Expenses By Object**

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Compensation	\$ 4,998,598	\$ 5,057,774	\$ 4,962,483
Materials/freight	227,787	283,153	311,126
Services purchased/contracted	306,119	652,814	603,150
	<b>\$ 5,532,504</b>	<b>\$ 5,993,741</b>	<b>\$ 5,876,759</b>

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**Commission scolaire francophone Territoires du Nord-Ouest****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**30. Subsequent Events**

On July 2, 2019, the Northwest Territories Court of Appeal ("NWTCA") awarded to L'Association des parents ayants droit de Yellowknife ("APADY") the legal costs incurred for the van Bochove family judicial review. While the legal examination has indicated the total recovery of legal costs of \$72,732 to be likely, the Commission considers that the actual amount recoverable is not readily determinable as of year-end. As such, the Commission has not recorded the recovery as of June 30, 2019.

On July 25, 2019, the GNWT has announced that it will appeal the decision made by NWTCA awarding APADY the legal costs of \$72,737. As of the financial statements date, no further information regarding the upcoming appeal is available.

**31. Comparative Figures**

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

**32. ECE Other Contributions**

	2019	2018
Government of the Northwest Territories Department of Education, Culture and Employment		
Community support funding	\$ -	\$ 27,000
English Languages Communication & Services	10,000	12,000
Self-Regulation	7,000	12,000
Other	75,449	59,925
	<b>\$ 92,449</b>	<b>\$ 110,925</b>

**33. GNWT Other Contributions**

	2019	2018
Government of the Northwest Territories		
Department of Environment and Natural Resources	\$ 8,000	\$ -
Department of Health and Social Services	5,111	3,360
Department of Municipal and Community Affairs	27,600	30,024
	<b>\$ 40,711</b>	<b>\$ 33,384</b>

June 30, 2019

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**34. Contingent Assets**

The Commission does not have any contingent assets.

**35. Contractual Rights**

The Commission does not have any contractual rights.

Consolidated Financial Statements of

**DEHCHO DIVISIONAL  
EDUCATION COUNCIL**

June 30, 2019

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Consolidated Financial Statements

June 30, 2019

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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 staff).

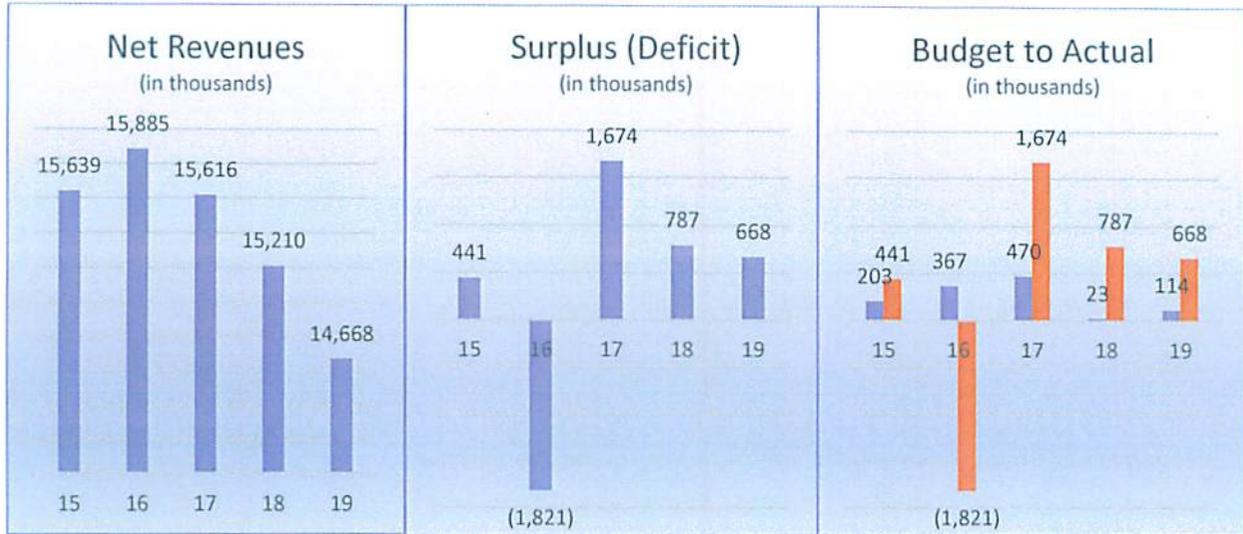
### **Governance, Trustees and Key Management**

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

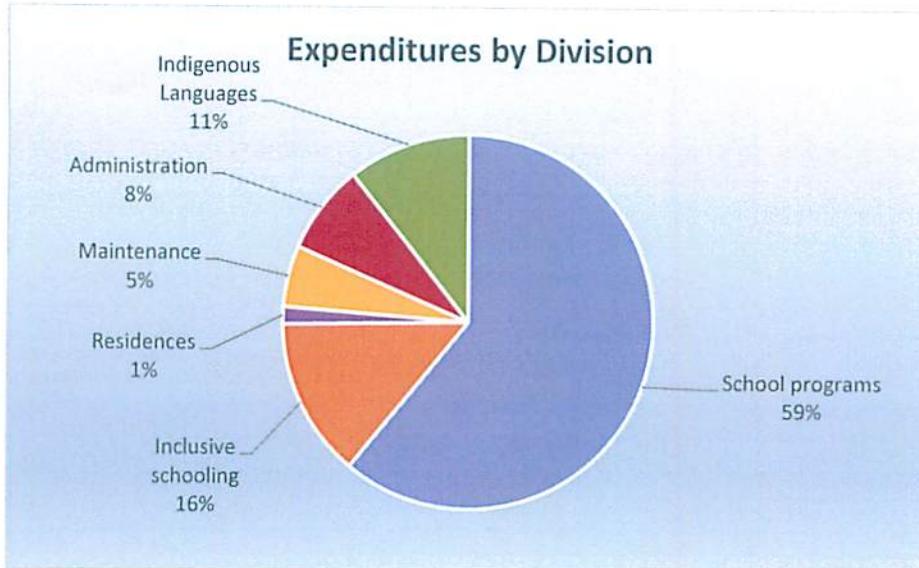
- Fort Providence- Evelyn Sabourin
- Fort Liard- Herbert Berreault
- Fort Simpson- Renalyn Pascua-Matte- Chairperson
- Jean Marie River- Yvonne Norwegian
- Kakisa Lake- Anita Chicot
- Sambaa K'e - Vacant
- Wrigley- Lisa Moses
- Nahanni Butte- Jayne Konisenta

The management staff include Philippe Brulot, who performs the duties of the Superintendent during the fiscal year and was responsible for school operations and overall operations of the Council and David Fiebelkorn who manages the financial and business affairs of the Council.

**Key Financial Highlights**



Revenue has fluctuated over the past five years due to fluctuating enrollment but recently has seen steady declines for the past three years. Due to these factors and a healthy accumulated surplus from earlier years, the Council has recorded offsetting deficits and surpluses over the past five years. Actual surpluses have been favorable over original budgets in four of 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 was in 2016 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 for the third consecutive year, which offset the larger deficit recorded in 2016. Much of this surplus resulted from additional sources of outside funding 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	SAMBAA KE Charles	WRIGLEY Chief J	FT LIARD Echo	NAHANNI BUTTE Charles		
SCHOOL	<u>Liidlii Kue High</u>	<u>Liidlii Kue Elem</u>	<u>Deh Gah School</u>	<u>Louie Norwegian</u>	<u>Kakisa L School</u>	<u>Tetcho School</u>	<u>Yendo School</u>	<u>Dene School</u>	<u>Yohin School</u>	TOTAL
<b>STUDENTS</b>										
Beginning of Year Enrollment	98	105	122	4	9	23	21.0	106	5.5	493.5
End of Year Enrollment	89.5	100	99.5	3	4	16.5	18.0	103	4	437.5
TOTAL BY DISTRICT EDUCATION AUTHOR (DEA) END OF YEAR		189.5	99.5	3	4	16.5	18.0	103	4	437.5

**TEACHING  
STAFF**

<b>Beginning of Year Teachers</b>	8.5	6	11	1	1	2	1.5	8	1	40
<b>End of Year Teachers</b>	7.5	6	9	1	1	2	1.5	8	1	37
<b>TOTAL BY DISTRICT EDUCATION AUTHORITY (DEA) END OF YEAR</b>		13.5	9	1	1	2	1.5	8	1	37

**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. With a new Superintendent beginning in 2018-2019, new initiatives in innovation, technology upgrades and restructuring has begun with positive results.

**Financial Conditions**

During the fiscal year ending June 30, 2019, the Council budgeted for an operating surplus to maintain the accumulated surplus at a minimal amount. At the same time, it attempted to maintain a similar level of service in the schools and communities. In doing so, the Council budgeted for an

annual surplus of \$ 113,862. During the year, the Council managed to incorporate several recoveries as well as prudent fiscal management, despite declining enrollment, to record a non-consolidated surplus of \$746,439 and a consolidated surplus of \$667,758. When converted to cash flow working capital surplus, the amount of available surplus for future years is less due to adjustments for actuarial personnel related liabilities. This surplus for the 2019 year brought the overall accumulated book surplus up to \$1,488,384 (DEC - \$1,211,359; DEA - \$277,025) after several years of declining enrollment and unexpected costs. Despite a budget deficit planned for 2019-20 of \$726,419, the current cash balance of \$4,241,148 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. The Council's budgeted deficit of \$726,419 for the 2019-20 fiscal year in order to maintain a stable level of service as well as implement several new initiatives for the Council.

### Surplus/(Deficit)

	2019	2018
Operating surplus (deficit) before other item	\$ 632,510	\$ 816,968
Other items - Post-employment benefit recovery (expense), Note 17	35,248	(29,663)
Other items - Payroll Expenses, refer to Note 17	-	-
Prior Year Funding Received	-	-
	<u>667,758</u>	<u>787,305</u>
Unfunded Items:		
Change in employee leave and termination benefits	(19,376)	6,077
(Increase)/Decrease in post-employment benefits	(467,488)	(81,418)
Annual Surplus (Deficit)	\$ 180,894	\$ 711,964
	<u>2019</u>	<u>2018</u>
Accumulated Surplus (Deficit)	\$ 1,488,384	\$ 820,626
Employee leave and termination benefit	28,265	47,641
Post-employment benefits	1,578,625	2,046,113
Adjusted Accumulated Surplus (Deficit)	\$ 3,095,274	\$ 2,914,380

### Summary and Outlook

During the past two years, the Council was fortunate to add to the surplus from the prior year after recovering from a large deficit in 2016 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, resiliency programs, self-regulation and a new revitalized indigenous language program. Several programs such as literacy development

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 21<sup>st</sup> century learners and the goals of Education Renewal. Literacy, distance learning, self-regulation, Indigenous Language revitalization programs and training for Language teachers will continue. New initiatives include: programs in literacy training, and trades introduction. 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.

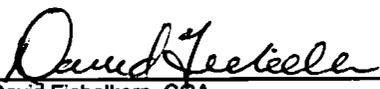
The auditors annually provide an independent, objective audit for the purpose of expressing an opinion on the financial statements in accordance with Canadian generally accepted auditing standards. The auditors also consider whether the transactions that have come to their notice in the course of this 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

  
\_\_\_\_\_  
Philippe Brutot  
Superintendent  
Dehcho Divisional Education Council

Sept 27 / 19  
Date

  
\_\_\_\_\_  
David Fiebelkorn, CGA  
Comptroller  
Dehcho Divisional Education Council

Sept 27 / 19  
Date

## INDEPENDENT AUDITOR'S REPORT

To the Minister of Education, Culture and Employment of the GNWT

To the Board of Trustees of the Dehcho Divisional Education Council

### *Opinion*

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, 2019, 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.

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 Dehcho Divisional Education Council as at June 30, 2019, and the results of its financial performance and cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

### *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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Education Body in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Education Body's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Education Body or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Education Body's financial reporting process.

## Independent Auditor's Report (continued)

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Education Body's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Education Body's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Education Body to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### *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, 2019

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Financial Position

June 30, 2019

	2019	*2018
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents, Note 4	\$ 4,241,148	\$ 3,624,435
Special purpose funds, Note 5	291,672	300,400
Due from the Government of Canada, Note 13	63,225	-
Accounts receivable, Note 8	116,019	151,419
	<u>\$ 4,712,064</u>	<u>\$ 4,076,254</u>

## LIABILITIES

Accounts payable and accrued liabilities, Note 10	\$ 137,884	\$ 46,626
Payroll liabilities, Note 10	1,222,353	909,040
Due to the Government of Canada, Note 13	-	-
Deferred revenue, Note 11	173,900	138,938
Other employee future benefits and compensated absences, Note 17	1,578,625	2,046,113
Trust Liabilities, Note 18	130,918	135,617
	<u>3,243,680</u>	<u>3,276,334</u>
Net Assets (Deficit)	<u>\$ 1,468,384</u>	<u>\$ 799,920</u>

## NON-FINANCIAL ASSETS

Prepaid expenses, Note 20	\$ 20,000	\$ 20,706
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## ACCUMULATED SURPLUS (DEFICIT)

	\$ 1,488,384	\$ 820,626
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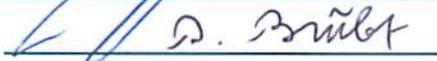
\* Reclassified for comparative purposes

Represented by:

Accumulated Operating surplus (deficit)		
Divisional Education Council	\$ 1,211,359	\$ 464,920
District Education Authorities	277,025	355,706
	<u>\$ 1,488,384</u>	<u>\$ 820,626</u>

Contractual obligations, Note 22

Contingencies, Note 23

Approved:  Chair  
 Superintendent

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Consolidated Statement of Operations

For the year ended June 30, 2019

	Budget 2019	Actual 2019	Actual *2018
<b>Revenue</b>			
<b>Government of the NWT</b>			
ECE regular contribution	\$ 12,968,962	\$ 13,301,091	\$ 13,816,950
Teaching and Learning Centres, Schedule B	-	124,000	335,000
French language program, Schedule D	55,000	50,000	-
ECE other contributions, Note 31	-	92,901	69,673
<b>Total ECE contributions</b>	<b>13,023,962</b>	<b>13,567,992</b>	<b>14,221,623</b>
<b>GNWT other contributions, Note 32</b>	<b>455,000</b>	<b>300,635</b>	<b>295,771</b>
<b>Total GNWT</b>	<b>13,478,962</b>	<b>13,868,627</b>	<b>14,517,394</b>
Jordan's Principle, Schedule E	-	235,387	-
Government of Canada - other contributions	-	-	60,324
<b>Total Government of Canada contributions</b>	<b>-</b>	<b>235,387</b>	<b>60,324</b>
	<b>13,478,962</b>	<b>14,104,014</b>	<b>14,577,718</b>
<b>Self-Generated Funds</b>			
Rentals	36,000	41,200	42,800
Investment income	15,000	77,377	48,659
Contract and other	132,000	185,571	294,545
	<b>183,000</b>	<b>304,148</b>	<b>386,004</b>
Education Authority self-generated funds, Schedule H-1	-	117,088	147,167
GNWT contributions to Education Authorities, Schedule H-1	-	142,501	99,186
	-	259,589	246,353
	<b>13,661,962</b>	<b>14,667,751</b>	<b>15,210,075</b>
<b>Expenses</b>			
School programs	7,989,063	8,311,151	8,522,987
Inclusive schooling	2,148,090	2,187,116	2,535,816
Student accommodation	190,950	209,201	189,403
Operations and maintenance	844,596	730,148	737,258
Administration	831,977	1,095,371	1,103,488
Aboriginal language/cultural programs	1,543,424	1,502,254	1,304,155
	<b>13,548,100</b>	<b>14,035,241</b>	<b>14,393,107</b>
Operating surplus (deficit) before other item	113,862	632,510	816,968
<b>Other item:</b>			
Post-employment benefit recovery (expense), Note 17	-	35,248	(29,663)
Payroll expense, Note 17	-	-	-
<b>Operating surplus (deficit)</b>	<b>\$ 113,862</b>	<b>\$ 667,758</b>	<b>\$ 787,305</b>
<b>Accumulated surplus (deficit), beginning of year</b>		<b>820,626</b>	<b>33,321</b>
<b>Accumulated surplus (deficit), end of year</b>		<b>\$ 1,488,384</b>	<b>\$ 820,626</b>
* Reclassified for comparative purposes			
<b>Accumulated surplus (deficit) is comprised of the following:</b>			
Accumulated surplus (deficit), end of year		\$ 1,488,384	\$ 820,626
Post employment benefits Unamortized net actuarial (gain)/loss (Note 17)		442,755	999,870
<b>Accumulated surplus (deficit), end of the year</b>		<b>\$ 1,931,139</b>	<b>\$ 1,820,496</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Consolidated Statement of Change in Net Assets (Debt)

For the year ended June 30, 2019

	2019	2018
Operating Surplus (Deficit)	\$ 667,758	\$ 787,305
Amortization of tangible assets	-	-
Net change in prepaids	706	9,751
(Increase) Decrease in net debt	668,464	797,056
<b>Net assets (debt) beginning of the year</b>	<b>799,920</b>	<b>2,864</b>
<b>Net assets (debt) end of year</b>	<b>\$ 1,468,384</b>	<b>\$ 799,920</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Consolidated Statement of Cash Flow

For the year ended June 30, 2019

	2019	2018
<b>Operating Activities</b>		
Operating Surplus (Deficit)	\$ 667,758	\$ 787,305
Items not affecting cash:		
Amortization	-	-
Changes in non-cash assets and liabilities		
Decrease (increase) in due from the Government of Canada	(63,225)	56,801
Decrease (increase) in trust assets	-	-
Decrease (increase) in accounts receivable	35,400	(53,591)
Increase (decrease) in accounts payable	91,258	(14,547)
Increase (decrease) in payroll liabilities	313,313	(477,971)
Increase (decrease) in contributions repayable	-	-
Increase (decrease) in due to the Government of Canada	-	-
Increase (decrease) in deferred revenues	34,962	65,055
Increase (decrease) in post-employment benefits	(467,488)	(81,418)
Increase (decrease) in trust liabilities	(4,699)	(565)
Decrease (increase) in prepaids	706	9,751
	(59,773)	(496,485)
<b>Cash provided by operating transactions</b>	<b>607,985</b>	<b>290,820</b>
<b>Financing Activities</b>		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
<b>Cash provided by financing activities</b>	<b>-</b>	<b>-</b>
<b>Investing Activities</b>		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
<b>Cash provided by investing transactions</b>	<b>-</b>	<b>-</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
<b>Cash provided by capital transactions</b>	<b>-</b>	<b>-</b>
Increase (Decrease) in cash and cash equivalents	607,985	290,820
Cash and cash equivalents, beginning of year	3,924,835	3,634,015
<b>Cash and cash equivalents, end of year</b>	<b>\$ 4,532,820</b>	<b>\$ 3,924,835</b>
Cash consists of :		
Cash and cash equivalents, Note 4	\$ 4,241,148	\$ 3,624,435
Special purpose funds, Note 5	291,672	300,400
	<b>\$ 4,532,820</b>	<b>\$ 3,924,835</b>

## DEHCHO DIVISIONAL EDUCATION COUNCIL

### Consolidated Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Indigenous Languages and Education	2019 Total	2019 Budget	2018 Total
<b>Salaries</b>									
Teachers' salaries	\$ 5,727,472	\$ 965,236	\$ -	\$ -	\$ -	\$ -	\$ 6,692,708	\$ 6,781,834	\$ 7,171,636
Instruction assistants	-	871,936	-	-	-	877,706	1,749,642	1,619,295	1,833,769
Non-instructional staff	843,100	187,502	-	642,633	611,265	166,829	2,451,329	2,186,079	2,540,615
Board/Trustee Honoraria	4,150	-	-	-	69,281	83,597	157,028	117,800	167,873
	6,574,722	2,024,674	-	642,633	680,546	1,128,132	11,050,707	10,705,008	11,713,893
<b>Employee Benefits</b>									
Employee benefits and allowances	180,698	109,068	-	17,556	16,602	55,475	379,399	438,629	389,472
Leave and termination	292,154	-	-	-	53,048	-	345,202	446,987	101,568
	472,852	109,068	-	17,556	69,650	55,475	724,601	885,616	491,040
<b>Services Purchased/Contracted</b>									
Professional/Technical Services	-	-	-	-	22,881	290	23,171	35,000	31,291
Postage/Communication	40,398	-	1,394	-	58,427	-	100,219	40,000	148,360
Utilities	-	-	-	-	-	-	-	40,000	-
Travel	208,015	44,614	31,586	-	90,406	96,947	471,568	709,000	436,712
Student Travel (Bussing)	122,484	-	-	-	-	-	122,484	62,000	112,956
Advertising/Printing/Publishing	-	-	-	-	41,308	26,876	68,184	45,000	95,836
Maintenance/Repair	20,556	-	-	55,012	39,962	2,297	117,827	25,000	72,679
Rentals/Leases	22,449	-	-	13,200	22,324	12,476	70,449	78,000	59,969
Other - Contracted Services	102,057	1,700	146,206	1,747	2,712	82,776	337,198	242,000	303,746
	515,959	46,314	179,186	69,959	278,020	221,662	1,311,100	1,276,000	1,261,549
<b>Materials, Supplies and Freight</b>									
Materials	731,261	7,060	27,269	-	66,557	92,434	924,581	635,062	900,527
Freight	16,357	-	2,746	-	598	4,551	24,252	46,414	26,098
	747,618	7,060	30,015	-	67,155	96,985	948,833	681,476	926,625
<b>Contributions and Transfers</b>									
Transfers	-	-	-	-	-	-	-	-	-
<b>Amortization</b>									
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 8,311,151</b>	<b>\$ 2,187,116</b>	<b>\$ 209,201</b>	<b>\$ 730,148</b>	<b>\$ 1,095,371</b>	<b>\$ 1,502,254</b>	<b>\$ 14,035,241</b>	<b>\$ 13,548,100</b>	<b>\$ 14,393,107</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

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### 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), Sambaa K'e (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.

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.

### 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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2019

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## 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.

#### *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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2019

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

### (f) Revenue Recognition - (Continued)

#### *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.

#### *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.

### (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.

### (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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

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

#### (j) Payroll Liabilities (continued)

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 employee. 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) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expenses. Transfers include grant and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

### Note 3. Future Accounting Changes

#### Future Accounting Changes

##### *Revenues - Section PS 3400*

PSAB has approved Section PS 3400, Revenues. This Section establishes standards on how to account for and report on revenue. This Section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted. This Section may be applied retroactively or prospectively. 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, 2018. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

##### *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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 3. Future Accounting Changes (continued)

#### *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.

#### **Adoption of New Accounting Standards**

Effective April 1, 2018, the new standard from the PSA Handbook Section PS 3430 – restructuring transactions was adopted. There is no significant impact on the consolidated financial statements as a result of adopting the new standards.

### Note 4. Cash and Cash Equivalents

	2019	2018
Cash	\$ 4,241,148	\$ 3,624,435
Short term investments	-	-
	<b>\$ 4,241,148</b>	<b>\$ 3,624,435</b>

### 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.

	2019	2018
Fort Simpson (Liidlii Kue Elementary and Regional High Schools)	\$ 55,348	\$ 68,778
Fort Providence (Deh Gah Elementary/Secondary Schools)	77,952	57,437
Fort Liard (Echo-Dene School)	52,429	40,938
Jean Marie River (Louie Norwegian School)	9,852	15,093
Wrigley (Chief Julian Yendo School)	63,934	80,682
Nahanni Butte (Charles Yohin School)	24,362	24,508
Sambaa K'e (Charles Tetcho School)	8,101	7,426
Kakisa Lake (Territorial School - Kakisa Lake School)	(306)	5,538
	<b>\$ 291,672</b>	<b>\$ 300,400</b>

### Note 6. Restricted Assets - Nil Report

### Note 7. Portfolio Investments - Nil Report

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 8. Accounts Receivable

	Receivables		AFDA		Net	
	2019		2019		2019	
GNWT - ECE	\$	17,361	\$	-	\$	17,361
GNWT - MACA		-		-		-
GNWT - FSS		9,611		-		9,611
GNWT - HSS		-		-		-
GNWT - ITI		-		-		-
Aurora College		2,298		-		2,298
Tli Cho Community Services Agency		300		-		300
Commission Scolaire de Francophone		-		-		-
<b>Total Due from GNWT</b>		<b>29,570</b>		<b>-</b>		<b>29,570</b>
WSCC		-		-		-
Other		86,449		-		86,449
<b>Total receivables before amounts due from Government of Canada</b>		<b>116,019</b>		<b>-</b>		<b>116,019</b>
<b>Government of Canada</b>		<b>63,225</b>		<b>-</b>		<b>63,225</b>
	\$	<b>179,244</b>	\$	<b>-</b>	\$	<b>179,244</b>
					\$	<b>151,419</b>

### Note 9. Inventories - Not Applicable

### Note 10. Accounts Payable and Accrued Liabilities

	2019	2018
GNWT - MACA	\$ 13,636	\$ -
WSCC	-	-
Employee source deductions	-	7,636
<b>Accounts payable and accrued liabilities</b>	<b>124,248</b>	<b>38,990</b>
	<b>137,884</b>	<b>46,626</b>
<b>Payroll liabilities</b>		
To GNWT (A)	413,742	-
To Employees (B)	780,346	861,399
Annual Leave	20,540	41,466
Lieu	7,725	6,175
	<b>1,222,353</b>	<b>909,040</b>
	<b>\$ 1,360,237</b>	<b>\$ 955,666</b>

Note A: Amount outstanding to be paid to GNWT by the education board for salaries and wages paid by June 30.

Note B: Amount accrued by the education board for salaries and wages to be paid in July and August.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 11. Deferred Revenue

	2019	2018
<b>GNWT - MACA</b>		
Active After School	\$ 13,850	\$ 15,300
Youth Contributions	17,540	-
Physical Literacy	9,558	38,638
	40,948	53,938
<b>Government of Canada</b>		
Jordan's Principle	72,952	-
Tides Canada Foundation		
NWT on the Land Collaborative	60,000	85,000
	\$ 173,900	\$ 138,938

### Note 12. Contribution Repayable - Nil Report

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

	2019	2018
Receivables - Jordan's Principle	\$ 63,225	\$ -
Payables	\$ -	\$ -

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

### Note 15. Pension - Not Applicable

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

### Note 17. Other Employee Future Benefits and Compensated Absences

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 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 maternity 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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2019

## Note 17. Other Employee Future Benefits and Compensated Absences (continued)

### Valuation Results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2018 and the results extrapolated to June 30, 2019. The values presented below are for all the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and removal	Compensated Absences	2019	2018
<b>Changes in Obligation</b>				
Accrued benefit obligations beginning of the year	\$ 855,280	\$ 190,963	\$ 1,046,243	\$ 1,514,010
Current period benefit cost	50,915	16,386	67,301	68,559
Interest accrued	30,743	7,245	37,988	43,098
Benefits payments	(388,360)	(43,880)	(432,240)	(111,081)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	387,085	29,493	416,578	(468,343)
<b>Accrued benefit obligation, end of year</b>	<b>935,663</b>	<b>200,207</b>	<b>1,135,870</b>	<b>1,046,243</b>
<b>Unamortized net actuarial gain</b>	<b>464,235</b>	<b>(21,480)</b>	<b>442,755</b>	<b>999,870</b>
<b>Net future obligation</b>	<b>\$ 1,399,898</b>	<b>\$ 178,727</b>	<b>\$ 1,578,625</b>	<b>\$ 2,046,113</b>
<b>Benefits Expense</b>				
Current period benefit cost	\$ 50,915	\$ 16,386	\$ 67,301	\$ 68,559
Interest cost	30,743	7,245	37,988	43,098
Plan amendments	-	-	-	-
Amortization of actuarial gains	(138,918)	(1,619)	(140,537)	(81,994)
	\$ (57,260)	\$ 22,012	\$ (35,248)	\$ 29,663

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	2019
2020	\$ 172,625	\$ 37,902	\$ 210,527
2021	119,726	28,189	147,915
2022	99,117	25,593	124,710
2023	85,166	22,185	107,351
2024	59,697	18,863	78,560
	\$ 536,331	\$ 132,732	\$ 669,063

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### 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.

	2019	2018
Superintendent Fund	\$ 12,753	\$ 11,501
Steve Rowan Memorial Scholarship Fund	105,767	111,970
Mercedes Benz Scholarship Fund	12,398	12,146
	<b>\$ 130,918</b>	<b>\$ 135,617</b>

The funds associated with th

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

### Note 20. Prepaid Expenses

	2019	2018
CIBC Visa Deposit	\$ 20,000	\$ 20,000
Prepaid service contracts	-	706
CIBC Visa Deposit	<b>\$ 20,000</b>	<b>\$ 20,706</b>

### Note 21. GNWT Assets Provided at No Cost

	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
<b>Buildings</b>				
Schools and colleges	\$ 28,474,356	\$ 19,210,757	\$ 9,263,599	\$ 9,701,101
Residences	843,808	553,800	290,008	311,100
Staff Housing	287,453	223,557	63,896	71,079
	<b>\$ 29,605,617</b>	<b>\$ 19,988,114</b>	<b>\$ 9,617,503</b>	<b>\$ 10,083,280</b>

### Note 22. 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*	2020	2021	2022	Total
Equipment leases	2022	\$ 39,250	\$ 20,830	\$ 1,411	\$ 61,491
Operational leases	2020	135,000	-	-	135,000
		<b>\$ 174,250</b>	<b>\$ 20,830</b>	<b>\$ 1,411</b>	<b>\$ 196,491</b>

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

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 23. Contingencies

With any employer, especially those with a union there are always risks of employee grievances. At the end of the fiscal year there was a grievance that was outstanding from a prior period. In the opinion of management and legal council, the outcome is unknown, no material accrued liability needs to be established. Should any further loss result from the resolution of this claim, such loss will be charged to operations in the year of resolution.

### Note 24. 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:

	2019		2018	
<b>Accounts payable, Note 10</b>				
Government of the Northwest Territories				
Municipal and Community Affairs	\$	13,636	\$	-
Other related parties				
NWT Power Corporation		-		-
	\$	13,636	\$	-
<b>Payroll liabilities, Note 10</b>				
Government of the Northwest Territories	\$	413,742	\$	-
<b>Deferred Revenues, Note 11</b>				
Government of the Northwest Territories				
Municipal and Community Affairs	\$	40,948	\$	53,938
<b>Accounts receivable, Note 8</b>				
	AR 2019	AFDA	Net AR 2019	Net AR 2018
Government of the Northwest Territories				
Education, Culture and Employment	\$ 17,361	\$ -	\$ 17,361	\$ 22,571
Municipal and Community Affairs	-	-	-	8,000
Financial Shared Services	9,611	-	9,611	6,606
Health & Social Services (HSS)	-	-	-	12,500
Industry, Tourism and Investment (ITI)	-	-	-	9,661
Total GNWT	26,972	-	26,972	59,338
Other related parties				
Aurora College	2,298	-	2,298	1,344
Tii Cho Community Services Agency	300	-	300	-
Commission Scolaire de Francophone	-	-	-	300
	\$ 29,570	\$ -	\$ 29,570	\$ 60,982

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 24. Related Parties (continued)

	2019	2018
<b>Revenues</b>		
Government of the Northwest Territories		
ECE - Core contribution	\$ 13,301,091	\$ 13,816,950
ECE - Indigenous Languages and Education, Schedule B	124,000	335,000
ECE - French language program, Schedule D	50,000	-
ECE - other contributions, Note 31	92,901	69,673
MACA - GNWT other Contributions, Note 32	224,980	240,695
ENR - GNWT other Contributions, Note 32	56,937	16,636
DHSS - GNWT other Contributions, Note 32	18,718	38,440
GNWT contributions to Education Authorities, Schedule H-1	142,501	99,186
Department of Finance - rent and custodian	18,120	18,120
<b>Total GNWT</b>	<b>14,029,248</b>	<b>14,634,700</b>
Other related parties		
Aurora College	33,921	33,921
	<b>\$ 14,063,169</b>	<b>\$ 14,668,621</b>

### Note 25. 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 September 13, 2018 and have not been audited.

### Note 26. 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 27. 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, 2019.

#### 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.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Notes to the Consolidated Financial Statements

June 30, 2019

### Note 27. Financial Instruments (continued)

#### 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 28. Expenses by Object

	2019 Budget	2019 Actual	2018 Actual
Compensation	\$ 11,590,624	\$ 11,775,308	\$ 12,204,933
Professional/Technical Services	35,000	23,171	31,291
Postage/Communication	40,000	100,219	148,360
Utilities	40,000	-	-
Travel	709,000	471,568	436,712
Student Travel (Bussing)	62,000	122,484	112,956
Advertising/Printing/Publishing	45,000	68,184	95,836
Maintenance/Repair	25,000	117,827	72,679
Rentals/Leases	78,000	70,449	59,969
Other - Contracted Services	242,000	337,198	303,746
Materials, Supplies and Freight	681,476	948,833	926,625
Amortization	-	-	-
	<b>\$ 13,548,100</b>	<b>\$ 14,035,241</b>	<b>\$ 14,393,107</b>

### Note 29. Subsequent Events - Nil Report

### Note 30. Comparative Figures

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

### Note 31. ECE Other Contributions

	2019	2018
Distance education	\$ 63,415	\$ 39,673
Labour market agreement for persons with disabilities	12,500	24,000
Health and wellness	9,010	-
Special services	7,976	-
Self regulation	-	6,000
	<b>\$ 92,901</b>	<b>\$ 69,673</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2019

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## Note 32. GNWT Other Contributions

	2019	2018
Municipal and Community Affairs		
Sports and youth programs	\$ 47,000	\$ 21,929
Sport strategy	127,140	127,140
Children and youth resiliency	13,636	13,363
Active after school	17,850	102,260
Mental health youth conference	-	9,000
Other	20,000	10,000
Environment and Natural Resources		
Take a kid trapping	56,937	16,636
Health and Social Services		
Drop the pop	17,018	13,440
Breakfast for learning	1,700	-
Youth conference	-	25,000
Contributions repaid	(13,636)	-
Deferred revenue - GNWT, opening	53,938	10,941
Deferred revenue - GNWT, closing	(40,948)	(53,938)
	<u>\$ 300,635</u>	<u>\$ 295,771</u>

Note 33. Contingent Assets - Nil Report

Note 34. Contractual Rights - Nil Report

**DEHCHO DIVISIONAL EDUCATION COUNCIL**

Indigenous Languages and Education Expenses

Schedule A

For the year ended June 30, 2019

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	2019 Total
<b>Salaries</b>					
ALCBE teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Language consultants	140,588	-	-	-	140,588
Instruction assistants	877,706	-	-	-	877,706
Non-instructional staff	-	-	-	-	-
Honoraria	-	42,134	-	-	42,134
Elders in schools	-	-	-	33,763	33,763
	<u>1,018,294</u>	<u>42,134</u>	<u>-</u>	<u>33,763</u>	<u>1,094,191</u>
<b>Employee Benefits</b>					
Employee benefits and allowances	55,475	-	-	-	55,475
	<u>55,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,475</u>
<b>Services Purchased/Contracted</b>					
Professional services	-	290	-	-	290
Travel	-	47,804	46,146	-	93,950
Student transportation	-	-	-	-	-
Advertising, printing and publishing	-	26,876	-	-	26,876
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	-	63,942	-	-	63,942
	<u>-</u>	<u>138,912</u>	<u>46,146</u>	<u>-</u>	<u>185,058</u>
<b>Materials, Supplies and Freight</b>					
Materials	70,281	-	-	199,789	270,070
Freight	4,551	-	-	-	4,551
	<u>74,832</u>	<u>-</u>	<u>-</u>	<u>199,789</u>	<u>274,621</u>
<b>Total</b>	<b>\$ 1,148,601</b>	<b>\$ 181,046</b>	<b>\$ 46,146</b>	<b>\$ 233,552</b>	<b>\$ 1,609,345</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Indigenous Languages and Education (Contribution Agreement)

Schedule B

For the year ended June 30, 2019

	July 1, 2018 to March 31, 2019	April 1, 2019 to June 30, 2019	Total Fiscal Year 2018/2019
<b>Contribution Agreement Indigenous Languages Revenue</b>			
Funding received	\$ 124,000	\$ -	\$ 124,000
<b>Expenditure</b>			
Salaries	85,003	21,074	106,077
Other O & M	15,480	16,912	32,392
	<u>100,483</u>	<u>37,986</u>	<u>138,469</u>
Surplus (Deficit), March 31, 2019	\$ <u>23,517</u>		
Surplus (Deficit), June 30, 2019		\$ <u>(37,986)</u>	
Surplus (Deficit) - Total			\$ <u>(14,469)</u>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Inclusive Schooling Expenses

Schedule C

For the year ended June 30, 2019

Function	General Inclusive Schooling	Staff Development	Assistive Technology	Magnet Facilities	Total
<b>Salaries</b>					
Regional Coordinator	\$ 187,502	\$ -	\$ -	\$ -	\$ 187,502
Program Support Teachers	965,236	-	-	-	965,236
Support Assistants	871,936	-	-	-	871,936
Honoraria	-	-	-	-	-
	<u>2,024,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,024,674</u>
<b>Employee Benefits</b>					
Employee benefits and allowances	109,068	-	-	-	109,068
	<u>109,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,068</u>
<b>Services Purchased/Contracted</b>					
Professional and technical services	-	-	-	-	-
Travel	44,614	-	-	-	44,614
Student transportation	-	-	-	-	-
Advertising, printing and publishing	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	-	1,700	-	-	1,700
	<u>44,614</u>	<u>1,700</u>	<u>-</u>	<u>-</u>	<u>46,314</u>
<b>Materials, Supplies and Freight</b>					
Materials	7,060	-	-	-	7,060
Freight	-	-	-	-	-
	<u>7,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,060</u>
<b>Total</b>	<b>\$ 2,185,416</b>	<b>\$ 1,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,187,116</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

French Language Program

Schedule D

For the year ended June 30, 2019

	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	\$ 117,713	\$ (17,713)

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Jordan's Principle

Schedule E

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Government of Canada	\$ -	\$ 308,339	\$ -
	-	308,339	-
<b>Expenses</b>			
Administration	-	-	-
Personnel	-	211,388	-
Transportation	-	-	-
Materials and supplies	-	23,999	-
Rent and utilities	-	-	-
Evaluation	-	-	-
Other	-	-	-
	-	235,387	-
<b>Surplus (Deficit)</b>	\$ -	\$ 72,952	\$ -
<b>Deferred Revenue</b>	\$ -	\$ (72,952)	\$ -

\* Included in accounts receivable is an amount of \$63,225 from the 2019 contribution agreement funding that was not yet collected at year end.

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Northern Distance Learning

Schedule F

For the year ended June 30, 2019

	Budget	Fort Liard	Fort Simpson	Total	March 31	June 30	Total
<b>Revenue</b>							
Education, Culture and Employment	\$ 63,415	\$ 32,951	\$ 30,464	\$ 63,415	\$ 39,954	\$ 23,461	\$ 63,415
Other	89,585	43,049	46,536	89,585	67,188	22,397	89,585
	153,000	76,000	77,000	153,000	107,142	45,858	153,000
<b>Expenses</b>							
<b>Salaries/Wages</b>							
<b>Instructional Staff</b>							
Teachers	100,000	90,591	88,692	179,283	134,462	44,821	179,283
On-site support person	50,000	15,580	30,678	46,258	29,143	17,115	46,258
<b>Non-Instructional Staff</b>							
Moodle (Online strategy)	-	-	-	-	-	-	-
DL Coordinator	-	-	-	-	-	-	-
PD - online learning field	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
<b>Network</b>							
Travel	-	-	-	-	-	-	-
Coordinator travel	-	-	-	-	-	-	-
<b>Professional Development</b>							
Communication	-	-	-	-	-	-	-
In-service release	-	-	-	-	-	-	-
<b>Other</b>							
IT support	-	-	-	-	-	-	-
<b>Materials, Supplies and Freight</b>							
<b>Computer Equipment</b>							
Document cameras	-	-	-	-	-	-	-
Phone	2,000	1,000	1,000	2,000	1,500	500	2,000
Laptop	-	-	-	-	-	-	-
Video (Monopad)	-	-	-	-	-	-	-
Wireless adapters and splitter	-	-	-	-	-	-	-
<b>Freight</b>							
Other	1,000	-	3,675	3,675	3,675	-	3,675
<b>Total expenses</b>	<b>153,000</b>	<b>107,171</b>	<b>124,045</b>	<b>231,216</b>	<b>168,780</b>	<b>62,436</b>	<b>231,216</b>
<b>Net surplus/(deficit)</b>	<b>\$ -</b>	<b>\$ (31,171)</b>	<b>\$ (47,045)</b>	<b>\$ (78,216)</b>	<b>\$ (61,638)</b>	<b>\$ (16,578)</b>	<b>\$ (78,216)</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

## Student Success Initiative Projects

Schedule G

For the year ended June 30, 2019

	2019	2018
<b>Revenue</b>		
GNWT - Education, Culture & Employment	\$ 55,000	\$ 55,000
NWT Teachers Association	33,771	39,889
	<b>88,771</b>	<b>94,889</b>
<b>Expenses</b>		
Salaries and wages		
Facilitator fees	-	-
Substitute teacher wages	-	-
Staff	45,000	45,000
Travel		
Facilitator travel	-	-
Airfare	-	11,141
Staff travel	4,096	9,637
Accommodations	-	-
Per diems	-	-
Other expenses	-	-
Student resources		
Room rental	-	-
Refreshments	-	-
Resources	34,856	29,111
Stationary printing	4,819	-
	<b>88,771</b>	<b>94,889</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

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

Schedule H-1

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
<b>Government of the NWT</b>			
ECE regular contributions	\$ 12,968,962	\$ 13,301,091	\$ 13,816,950
Teaching and Learning Centres, Schedule B	-	124,000	335,000
French language instruction, Schedule D	55,000	50,000	-
ECE other contributions, Note 33	-	92,901	69,673
	<b>13,023,962</b>	<b>13,567,992</b>	<b>14,221,623</b>
<b>GNWT - other contributions, Note 32</b>	<b>455,000</b>	<b>300,635</b>	<b>295,771</b>
<b>Total GNWT</b>	<b>13,478,962</b>	<b>13,868,627</b>	<b>14,517,394</b>
<b>Government of Canada</b>			
Jordan's Principle	-	235,387	-
Government of Canada - other contributions	-	-	60,324
<b>Total Government of Canada</b>	<b>-</b>	<b>235,387</b>	<b>60,324</b>
<b>Self-Generated Funds</b>			
Rentals	36,000	41,200	42,800
Investment income	15,000	77,377	48,659
Contract and other	132,000	185,571	294,545
	<b>183,000</b>	<b>304,148</b>	<b>386,004</b>
	<b>13,661,962</b>	<b>14,408,162</b>	<b>14,963,722</b>
<b>Expenditure</b>			
School programs	7,989,063	7,993,295	8,378,175
Inclusive schooling	2,148,090	2,187,116	2,535,816
Student accommodations	190,950	209,201	189,403
Operations and maintenance	844,596	722,031	729,360
Administration	831,977	975,983	1,040,110
Aboriginal language/cultural programs	1,543,424	1,609,345	1,345,374
	<b>13,548,100</b>	<b>13,696,971</b>	<b>14,218,238</b>
<b>Excess of Revenue over Expenditure before other items</b>	<b>\$ 113,862</b>	<b>\$ 711,191</b>	<b>\$ 745,484</b>
<b>Other Items:</b>			
Post-employment benefit recovery (expense), Note 17		35,248	(29,663)
Payroll Expenses, Note 17		-	-
<b>Excess (Deficiency) of Revenue over Expenditure</b>	<b>\$</b>	<b>746,439</b>	<b>\$ 715,821</b>
<b>Accumulated surplus (deficit), beginning of year</b>		<b>464,920</b>	<b>(250,901)</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>\$</b>	<b>1,211,359</b>	<b>\$ 464,920</b>

# DEHCHO DIVISIONAL EDUCATION COUNCIL

Details of Council Expenses (Non-Consolidated)

Schedule H-2

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	2019 Total	2019 Budget	*2018 Total
<b>Salaries</b>									
Teachers' salaries	\$ 5,973,932	\$ 965,236	\$ -	\$ -	\$ -	\$ -	\$ 6,939,168	\$ 6,781,834	\$ 7,273,922
Instruction Assistant	-	871,936	-	-	-	877,706	1,749,642	1,619,295	1,800,480
Non Instructional Staff	575,466	187,502	-	634,516	576,781	140,588	2,114,853	2,186,079	2,330,000
Board/Trustee Honoraria	-	-	-	-	23,240	75,897	99,137	117,800	132,674
	6,549,398	2,024,674	-	634,516	600,021	1,094,191	10,902,800	10,705,008	11,537,076
<b>Employee Benefits</b>									
Employee benefits and allowances	180,236	109,068	-	17,556	16,602	55,475	378,937	438,629	388,659
Leave and termination	292,154	-	-	-	53,048	-	345,202	446,987	101,568
	472,390	109,068	-	17,556	69,650	55,475	724,139	885,616	490,227
<b>Services Purchased/Contracted</b>									
Professional/Technical Services	-	-	-	-	22,881	290	23,171	35,000	31,291
Postage/Communication	40,398	-	1,394	-	57,315	-	99,107	40,000	148,634
Utilities	-	-	-	-	-	-	-	40,000	-
Travel	191,007	44,614	31,586	-	89,318	93,950	450,475	709,000	575,383
Student Travel (Bussing)	43,871	-	-	-	-	-	43,871	62,000	46,500
Advertising/Printing/Publishing	-	-	-	-	41,308	26,876	68,184	45,000	95,836
Maintenance/Repair	20,556	-	-	55,012	39,662	-	115,230	25,000	72,801
Rentals/Leases	23,049	-	-	13,200	22,192	-	58,441	78,000	58,176
Other - Contracted Services	-	1,700	146,206	1,747	-	63,942	213,595	242,000	147,005
	318,881	46,314	179,186	69,959	272,676	185,058	1,072,074	1,276,000	1,175,626
<b>Materials, Supplies and Freight</b>									
Materials	636,269	7,060	27,269	-	33,636	70,281	774,515	635,062	783,433
Freight	16,357	-	2,746	-	-	4,551	23,654	46,414	26,698
	652,626	7,060	30,015	-	33,636	74,832	798,169	681,476	810,131
<b>Contributions and Transfers</b>									
Transfers to DEA	-	-	-	-	-	199,789	199,789	-	205,178
<b>Amortization</b>									
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 7,993,295</b>	<b>\$ 2,187,116</b>	<b>\$ 209,201</b>	<b>\$ 722,031</b>	<b>\$ 975,983</b>	<b>\$ 1,609,345</b>	<b>\$ 13,696,971</b>	<b>\$ 13,548,100</b>	<b>\$ 14,218,238</b>

\* Reclassified for comparative purposes

# DEHCHO DIVISIONAL EDUCATION COUNCIL

District Education Authority Operations Summary

Non-Consolidated

For the year ended June 30, 2019

Schedule I-1

	Fort Simpson	Fort Providence	Fort Liard	Jean Marie River	Wrigley	Nahanni Butte	Sambaa K'e	Kakisa Lake	Total
<b>Revenue</b>									
Operating contributions from Divisional Council	\$ 46,152	\$ 43,277	\$ 26,498	\$ 15,615	\$ 18,920	\$ 15,877	\$ 17,501	\$ 15,949	\$ 199,789
Other contributions from Divisional Council	98,708	253,527	38,571	6,298	4,000	-	9,982	15,949	427,035
Contributions from GNWT	8,190	124,936	-	-	1,375	-	-	8,000	142,501
Self-generated funds	84,555	11,316	5,973	8,687	2,557	-	-	4,000	117,088
	<u>237,605</u>	<u>433,056</u>	<u>71,042</u>	<u>30,600</u>	<u>26,852</u>	<u>15,877</u>	<u>27,483</u>	<u>43,898</u>	<u>886,413</u>
<b>Expenditure</b>									
School programs	227,521	381,392	35,940	9,905	35,909	14,958	946	26,456	733,027
Inclusive schooling	-	-	-	-	-	-	-	-	-
Student accommodations	-	-	-	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-	8,117	-	8,117
Administration	33,571	33,991	6,575	9,268	7,691	1,065	12,245	14,982	119,388
Aboriginal language/cultural programs	8,975	65,070	17,036	7,981	-	-	5,500	-	104,562
	<u>270,067</u>	<u>480,453</u>	<u>59,551</u>	<u>27,154</u>	<u>43,600</u>	<u>16,023</u>	<u>26,808</u>	<u>41,438</u>	<u>965,094</u>
Excess (Deficiency) of Revenue over Expenditure	(32,462)	(47,397)	11,491	3,446	(16,748)	(146)	675	2,460	(78,681)
Accumulated surplus, beginning of year	61,142	120,379	40,938	15,093	80,682	24,508	7,426	5,538	355,706
Accumulated surplus, end of year	\$ 28,680	\$ 72,982	\$ 52,429	\$ 18,539	\$ 63,934	\$ 24,362	\$ 8,101	\$ 7,998	\$ 277,025
<b>Composition of Ending Accumulated Surplus</b>									
Cash	\$ 55,348	\$ 77,952	\$ 34,647	\$ 9,852	\$ 63,934	\$ 24,362	\$ 8,101	\$ (306)	\$ 273,890
Investment in GIC	-	-	17,782	-	-	-	-	-	17,782
Accounts receivable	-	4,774	-	8,687	-	-	-	8,304	21,765
Accounts payable	(26,668)	(9,744)	-	-	-	-	-	-	(36,412)
	<u>\$ 28,680</u>	<u>\$ 72,982</u>	<u>\$ 52,429</u>	<u>\$ 18,539</u>	<u>\$ 63,934</u>	<u>\$ 24,362</u>	<u>\$ 8,101</u>	<u>\$ 7,998</u>	<u>\$ 277,025</u>

**DEHCHO DIVISIONAL EDUCATION COUNCIL**

Details of DEA Expenses Summary  
 Non-Consolidated  
 For the year ended June 30, 2019

Schedule I-2

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	279,776	-	-	8,117	34,484	26,241	348,618
Board/Trustee Honorarium	4,150	-	-	-	46,041	7,700	57,891
	<u>283,926</u>	<u>-</u>	<u>-</u>	<u>8,117</u>	<u>80,525</u>	<u>33,941</u>	<u>406,509</u>
<b>Employee Benefits</b>							
Employee Benefits and Allowances	1,872	-	-	-	-	-	1,872
Leave and Termination	-	-	-	-	-	-	-
	<u>1,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,872</u>
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	1,112	-	1,112
Utilities	-	-	-	-	-	-	-
Travel	29,008	-	-	-	1,088	2,997	33,093
Student Travel (Bussing)	130,594	-	-	-	-	-	130,594
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	300	2,297	2,597
Rentals/Leases	-	-	-	-	132	12,476	12,608
Other - Awards	14,239	-	-	-	680	-	14,919
Other - Contracted Services	32,818	-	-	-	2,032	9,284	44,134
Other - School Programs	55,000	-	-	-	-	9,550	64,550
	<u>261,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,344</u>	<u>36,604</u>	<u>303,607</u>
<b>Materials/Supplies/Freight</b>							
Materials	185,570	-	-	-	32,921	34,017	252,508
Freight	-	-	-	-	598	-	598
	<u>185,570</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,519</u>	<u>34,017</u>	<u>253,106</u>
<b>Total</b>	<b>\$ 733,027</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,117</b>	<b>\$ 119,388</b>	<b>\$ 104,562</b>	<b>965,094</b>

# FORT SIMPSON

District Education Authority  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Contributions from Divisional Council	\$ 46,152	\$ 46,152	\$ 48,572
Other - Dehcho DEC	-	98,708	60,956
Other - Contributions from GNWT	-	8,190	7,950
Other	-	84,555	92,833
	<u>46,152</u>	<u>237,605</u>	<u>210,311</u>
<b>Expenses</b>			
School programs	29,652	227,521	112,606
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	12,500	33,571	71,323
Aboriginal language/cultural programs	4,000	8,975	8,580
	<u>46,152</u>	<u>270,067</u>	<u>192,509</u>
Surplus (Deficit)	\$ -	(32,462)	17,802
Opening equity		61,142	43,340
Closing equity		\$ 28,680	\$ 61,142
<b>Composition of Closing Equity</b>			
Cash		\$ 55,348	\$ 68,778
Accounts receivable		-	-
Accounts payable		(26,668)	(7,636)
		<u>\$ 28,680</u>	<u>\$ 61,142</u>

## FORT SIMPSON

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	79,582	-	-	-	-	-	79,582
Board/Trustee Honoraria	-	-	-	-	11,682	-	11,682
	<u>79,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,682</u>	<u>-</u>	<u>91,264</u>
<b>Employee Benefits</b>							
Employee Benefits/Allowances	1,872	-	-	-	-	-	1,872
Leave and Termination Benefits	-	-	-	-	-	-	-
	<u>1,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,872</u>
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	900	-	-	-	-	-	900
Student Travel (Bussing)	123,169	-	-	-	-	-	123,169
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	6,572	-	-	-	-	-	6,572
Other - Contracted Services	-	-	-	-	710	-	710
Other - School programs	5,569	-	-	-	-	8,000	13,569
	<u>136,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>710</u>	<u>8,000</u>	<u>144,920</u>
<b>Materials/Supplies/Freight</b>							
Materials	9,857	-	-	-	20,628	975	31,460
Freight	-	-	-	-	551	-	551
	<u>9,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,179</u>	<u>975</u>	<u>32,011</u>
<b>Total</b>	<b>\$ 227,521</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,571</b>	<b>\$ 8,975</b>	<b>\$ 270,067</b>

# FORT PROVIDENCE

District Education Authority  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 43,277	\$ 43,277	\$ 45,367
Other - Dehcho DEC	-	253,527	318,959
Other - Contributions from GNWT	-	124,936	84,236
Other	-	11,316	32,038
	<u>43,277</u>	<u>433,056</u>	<u>480,600</u>
<b>Expenses</b>			
School programs	20,002	381,392	330,528
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	21,275	33,991	45,115
Aboriginal language/cultural programs	2,000	65,070	83,028
	<u>43,277</u>	<u>480,453</u>	<u>458,671</u>
Surplus (Deficit)	\$ -	(47,397)	21,929
Opening equity		120,379	98,450
Closing equity		\$ 72,982	\$ 120,379
<b>Composition of Closing Equity</b>			
Cash		\$ 77,952	\$ 57,437
Accounts receivable		4,774	62,942
Accounts payable		(9,744)	-
		<u>\$ 72,982</u>	<u>\$ 120,379</u>

## FORT PROVIDENCE

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	199,857	-	-	-	9,318	4,366	213,541
Board/Trustee Honoraria	1,000	-	-	-	12,617	7,700	21,317
	200,857	-	-	-	21,935	12,066	234,858
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	1,112	-	1,112
Utilities	-	-	-	-	-	-	-
Travel	26,502	-	-	-	-	2,997	29,499
Student Travel (Bussing)	7,425	-	-	-	-	-	7,425
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	2,297	2,297
Rentals/Leases	-	-	-	-	-	12,476	12,476
Other - Awards/Gifts	2,859	-	-	-	-	-	2,859
Other - Contracted Services	28,932	-	-	-	179	9,284	38,395
Other - School programs	8,954	-	-	-	-	-	8,954
	74,672	-	-	-	1,291	27,054	103,017
<b>Materials/Supplies/Freight</b>							
Materials	105,863	-	-	-	10,718	25,950	142,531
Freight	-	-	-	-	47	-	47
	105,863	-	-	-	10,765	25,950	142,578
<b>Total</b>	<b>\$ 381,392</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,991</b>	<b>\$ 65,070</b>	<b>\$ 480,453</b>

# FORT LIARD

## District Education Authority Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 26,498	\$ 26,498	\$ 27,928
Other - Dehcho DEC	-	38,571	46,755
Other - Contributions from GNWT	-	-	-
Other	-	5,973	1,388
	<u>26,498</u>	<u>71,042</u>	<u>76,071</u>
<b>Expenses</b>			
School programs	15,248	35,940	45,881
Inclusive Schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	9,250	6,575	7,895
Aboriginal language/cultural programs	2,000	17,036	11,764
	<u>26,498</u>	<u>59,551</u>	<u>65,540</u>
Surplus (Deficit)	\$ -	11,491	10,531
Opening equity		40,938	30,407
Closing equity		\$ 52,429	\$ 40,938
<b>Composition of Closing Equity</b>			
Cash		\$ 34,647	\$ 40,938
Investment in GIC		17,782	-
Accounts receivable		-	-
Accounts payable		-	-
		<u>\$ 52,429</u>	<u>\$ 40,938</u>

# FORT LIARD

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	337	-	-	-	-	12,075	12,412
Board/Trustee Honoraria	-	-	-	-	5,201	-	5,201
	337	-	-	-	5,201	12,075	17,613
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	4,508	-	-	-	-	-	4,508
Other - Contracted Services	-	-	-	-	149	-	149
Other - Local Programs	560	-	-	-	-	1,550	2,110
	5,068	-	-	-	149	1,550	6,767
<b>Materials/Supplies/Freight</b>							
Materials	30,535	-	-	-	1,225	3,411	35,171
Freight	-	-	-	-	-	-	-
	30,535	-	-	-	1,225	3,411	35,171
<b>Total</b>	<b>\$ 35,940</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,575</b>	<b>\$ 17,036</b>	<b>\$ 59,551</b>

# JEAN MARIE RIVER

## District Education Authority Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Contributions from Divisional Council	\$ 15,615	\$ 15,615	\$ 15,835
Other - Dehcho DEC	-	6,298	10,078
Other - Contributions from GNWT	-	-	-
Other	-	8,687	1,525
	<b>15,615</b>	<b>30,600</b>	<b>27,438</b>
<b>Expenses</b>			
School programs	2,665	9,905	13,217
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	10,950	9,268	10,863
Aboriginal language/cultural programs	2,000	7,981	1,033
	<b>15,615</b>	<b>27,154</b>	<b>25,113</b>
Surplus (Deficit)	\$ -	3,446	2,325
Opening equity		15,093	12,768
Closing equity		\$ 18,539	\$ 15,093
<b>Composition of Closing Equity</b>			
Cash		\$ 9,852	\$ 15,093
Accounts receivable		8,687	-
Accounts payable		-	-
		<b>\$ 18,539</b>	<b>\$ 15,093</b>

## JEAN MARIE RIVER

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	5,635	4,300	9,935
Board/Trustee Honoraria	3,150	-	-	-	2,280	-	5,430
	<u>3,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,915</u>	<u>4,300</u>	<u>15,365</u>
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	1,606	-	-	-	-	-	1,606
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	300	-	300
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	300	-	-	-	680	-	980
Other - Contracted Services	-	-	-	-	148	-	148
Other - School Programs	1,050	-	-	-	-	-	1,050
	<u>2,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,128</u>	<u>-</u>	<u>4,084</u>
<b>Materials/Supplies/Freight</b>							
Materials	3,799	-	-	-	225	3,681	7,705
Freight	-	-	-	-	-	-	-
	<u>3,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225</u>	<u>3,681</u>	<u>7,705</u>
<b>Total</b>	<b>\$ 9,905</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,268</b>	<b>\$ 7,981</b>	<b>\$ 27,154</b>

# WRIGLEY

## District Education Authority Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 18,920	\$ 18,920	\$ 18,865
Other - Dehcho DEC	-	4,000	-
Other - Contributions from GNWT	-	1,375	-
Other	-	2,557	13,926
	<b>18,920</b>	<b>26,852</b>	<b>32,791</b>
<b>Expenses</b>			
School programs	4,870	35,909	12,139
Inclusive schooling	-	-	-
Student accomodations	-	-	-
Operations and maintenance	-	-	-
Administration	12,050	7,691	4,418
Aboriginal language/cultural programs	2,000	-	-
	<b>18,920</b>	<b>43,600</b>	<b>16,557</b>
Surplus (Deficit)	\$ -	(16,748)	16,234
Opening equity		80,682	64,448
Closing equity		\$ 63,934	\$ 80,682
<b>Composition of Closing Equity</b>			
Cash		\$ 63,934	\$ 80,682
Accounts receivable		-	-
Accounts payable		-	-
		<b>\$ 63,934</b>	<b>\$ 80,682</b>

# WRIGLEY

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	6,325	-	6,325
	-	-	-	-	6,325	-	6,325
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	1,088	-	1,088
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	278	-	278
Other - Local programs	23,909	-	-	-	-	-	23,909
	23,909	-	-	-	1,366	-	25,275
<b>Materials/Supplies/Freight</b>							
Materials	12,000	-	-	-	-	-	12,000
Freight	-	-	-	-	-	-	-
	12,000	-	-	-	-	-	12,000
<b>Total</b>	<b>\$ 35,909</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,691</b>	<b>\$ -</b>	<b>43,600</b>

# NAHANNI BUTTE

District Education Authority  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Contributions from Divisional Council	\$ 15,877	\$ 15,877	\$ 15,932
Other - Dehcho DEC	-	-	-
Other - Contributions from GNWT	-	-	-
Other	-	-	-
	<b>15,877</b>	<b>15,877</b>	<b>15,932</b>
<b>Expenses</b>			
School programs	2,927	14,958	12,434
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	10,950	1,065	885
Aboriginal language/cultural programs	2,000	-	-
	<b>15,877</b>	<b>16,023</b>	<b>13,319</b>
Surplus (Deficit)	\$ -	(146)	2,613
Opening equity		24,508	21,895
Closing equity	\$	24,362	\$ 24,508
<b>Composition of Closing Equity</b>			
Cash	\$	24,362	\$ 24,508
Accounts receivable		-	-
Accounts payable		-	-
	\$	24,362	\$ 24,508

# NAHANNI BUTTE

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	725	-	725
	-	-	-	-	725	-	725
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	215	-	215
Other - School Programs	14,958	-	-	-	-	-	14,958
	14,958	-	-	-	215	-	15,173
<b>Materials/Supplies/Freight</b>							
Materials	-	-	-	-	125	-	125
Freight	-	-	-	-	-	-	-
	-	-	-	-	125	-	125
<b>Total</b>	\$ 14,958	\$ -	\$ -	\$ -	1,065	\$ -	16,023

## Sambaa K'e (formerly Trout Lake)

District Education Authority  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 17,501	\$ 17,501	\$ 16,840
Other - Dehcho DEC	-	9,982	9,298
Other - Contributions from GNWT	-	-	-
Other	-	-	3,420
	<b>17,501</b>	<b>27,483</b>	<b>29,558</b>
<b>Expenses</b>			
School programs	4,551	946	780
Inclusive schooling	-	-	-
Student accomodations	-	-	-
Operations and maintenance	-	8,117	7,898
Administration	10,950	12,245	15,416
Aboriginal language/cultural programs	2,000	5,500	6,938
	<b>17,501</b>	<b>26,808</b>	<b>31,032</b>
Surplus (Deficit)	\$ -	675	(1,474)
Opening equity		7,426	8,900
Closing equity		\$ 8,101	\$ 7,426
<b>Composition of Closing Equity</b>			
Cash		\$ 8,101	\$ 7,426
Accounts receivable		-	-
Accounts payable		-	-
		<b>\$ 8,101</b>	<b>\$ 7,426</b>

**Sambaa K'e (formerly Trout Lake)**

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	8,117	4,681	5,500	18,298
Board/Trustee Honoraria	-	-	-	-	7,211	-	7,211
	-	-	-	8,117	11,892	5,500	25,509
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	353	-	353
Other - Contracted Services	-	-	-	-	-	-	-
	-	-	-	-	353	-	353
<b>Materials/Supplies/Freight</b>							
Materials	946	-	-	-	-	-	946
Freight	-	-	-	-	-	-	-
	946	-	-	-	-	-	946
<b>Total</b>	<b>\$ 946</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,117</b>	<b>\$ 12,245</b>	<b>\$ 5,500</b>	<b>\$ 26,808</b>

# KAKISA LAKE

District Education Authority  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenues</b>			
Contributions from Divisional Council	\$ 15,949	\$ 15,949	\$ 15,839
Other - Dehcho DEC	-	15,949	12,578
Other - Contributions from GNWT	-	8,000	7,000
Other	-	4,000	2,037
	<u>15,949</u>	<u>43,898</u>	<u>37,454</u>
<b>Expenditure</b>			
School programs	2,999	26,456	16,438
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Administration	10,950	14,982	18,794
Aboriginal language/cultural programs	2,000	-	698
	<u>15,949</u>	<u>41,438</u>	<u>35,930</u>
Surplus (Deficit)	\$ -	2,460	1,524
Opening equity		5,538	4,014
Closing equity		\$ 7,998	\$ 5,538
<b>Composition of Closing Equity</b>			
Cash		\$ (306)	\$ 5,538
Accounts receivable		8,304	-
Accounts payable		-	-
		<u>\$ 7,998</u>	<u>\$ 5,538</u>

# KAKISA LAKE

District Education Authority  
 Details of Expenses - Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Indigenous Languages and Education	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	14,850	-	14,850
Board/Trustee Honoraria	-	-	-	-	-	-	-
	-	-	-	-	14,850	-	14,850
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	132	-	132
Other - Awards	-	-	-	-	-	-	-
Other - Contracted Services	3,886	-	-	-	-	-	3,886
Other - School Programs	-	-	-	-	-	-	-
	3,886	-	-	-	132	-	4,018
<b>Materials/Supplies/Freight</b>							
Materials	22,570	-	-	-	-	-	22,570
Freight	-	-	-	-	-	-	-
	22,570	-	-	-	-	-	22,570
<b>Total</b>	<b>\$ 26,456</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,982</b>	<b>\$ -</b>	<b>41,438</b>

**Dettah District Education Authority**

**Financial Statements**

**June 30, 2019**

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# Detfah District Education Authority

## Financial Statements

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June 30, 2019

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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, Regional Inclusive Schooling Coordinator, and Regional Indigenous Languages in Education Coordinator of Kaw Tay Whee School  
Sally Ann Drygeese - Administration/Educational Assistant

### **Current DEA Members:**

Rebecca Plotner – Chairperson  
Charlene Liske- Vice Chair  
Jessica DeLeary- Member  
Mary Liske- Member  
James Sanderson – Member  
Beatrice Sangris – Member  
(Anne) Marie Hardisty- 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; ensuring opportunities to engage in the local language and cultural practices and learning
- 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; providing students and families with guidance and support to navigate larger school settings and systems as needed
- 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 and out of school; and ensure that the school is able to operate three classrooms at minimum in order to minimize the number of grades taught by each teacher
- 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
- Support school staff team in their quest to improve access to mental health services in the school setting, and to build their own knowledge and skillset in this area

#### **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 2017-2018, the DDEA began a small alternative high school program the FTE enrolment of Kaw Tay Whee School was 35.50 FTE students from junior kindergarten to grade 12. The total enrolment of Dettah students in all schools up to grade 12 was 55.50. The school continues to run this small program.

In 2018-2019, the school employed 3.0 full time teachers, 1.0 language teacher/EA, 1.0 PST, and 1.0 teaching principal, who also encompassed the role of Regional Inclusive Schooling Coordinator (RISC) and Regional Indigenous Languages in Education Coordinator (RILE).

When considering school population and staffing, it is important to note that the teaching principal/RISC/RILE position includes a variety of responsibilities, not normally required in this role. This is 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 therefore is responsible to ensure that documentation is ready for the annual financial audited statements
- 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 all pieces of the complete Operating Plan (Accountability Framework), Annual Report, and the Inclusive Schooling Compliance Tool
- Of importance to note is that the DEA is not funded for a comptroller, superintendent, or principal position. Additionally, the school is not funded in full for the .50 custodial position or for the provision of required services, such as the audit.

### **Operating Environment**

#### **Strengths and Opportunities:**

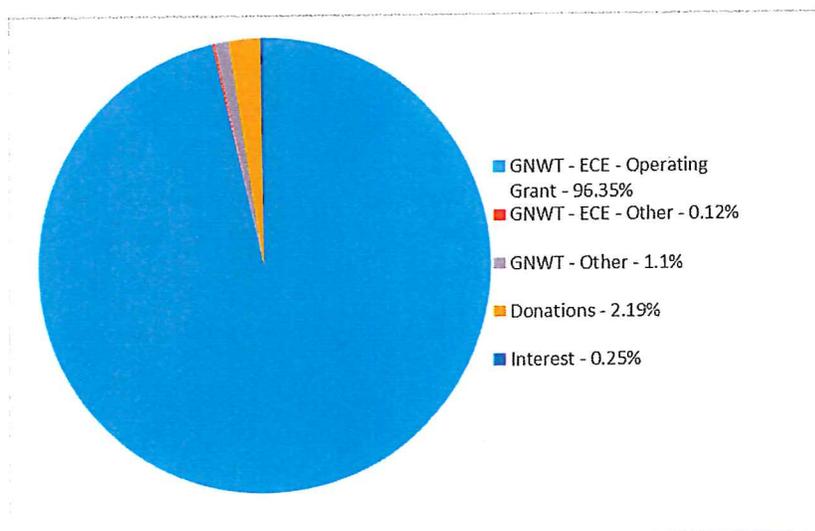
- Consistently positive working relationship between Dettah District Education Authority and Kaw Tay Whee School Staff; maximizing the potential for a positive learning environment for students and support for families
- An increase in the amount and quality of instruction in the local Wiiliideh language, 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 the alternative high school program; 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 continued to offer grade nine to students following IEPs, should they wish to remain in the community

- Over the past twelve 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 achievement, 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 families moving out of the community, for a low birth year, or for a year where many students transition to high school in Yellowknife. All of these circumstances result in a major negative impact on school enrollment and subsequently on the funding that is allocated to the school

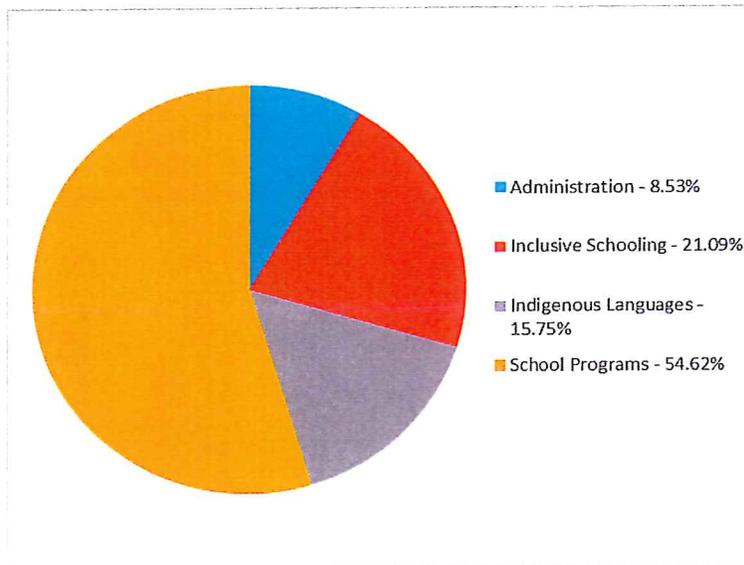
**Challenges and Threats:**

- As discussed above, the DEA continued to plan for financial challenges as many positions or services have either been cut in the funding, or do not receive any funding; examples include a cut to the custodian position, bus funding that does not provide for the actual cost amount, the fee for superintendency services, as well as fees for any book-keeping or the annual audit.
- 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 to best meet the needs of our students.

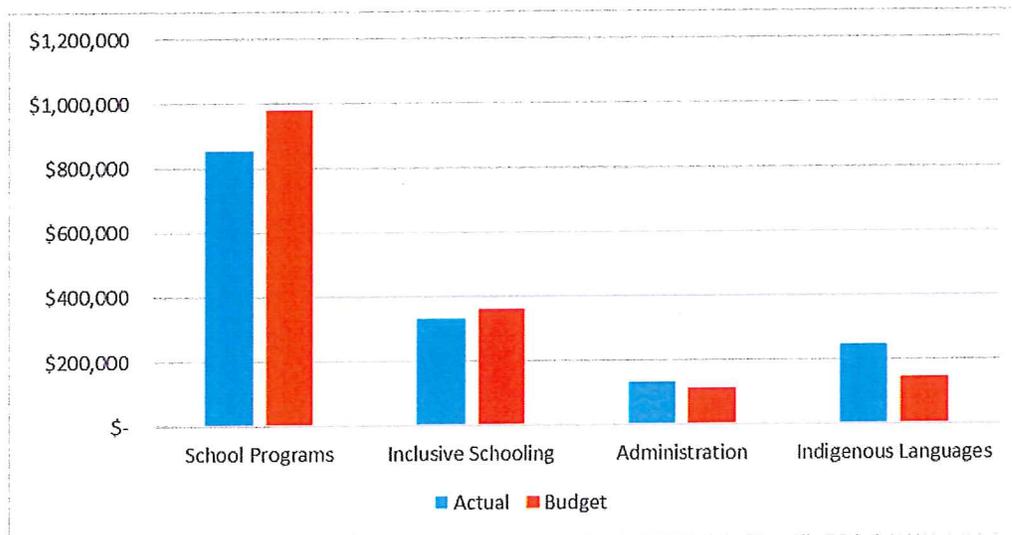
**Operating Revenue for DDEA in 2019**



**Expenditures by Program for DDEA in 2019**



**Operating Expenditures Actuals Compared to Budget for DDEA in 2019**



**Financial Condition**

The Authority's financial assets increased from \$456,356 to \$745,322. This year the net financial assets (financial assets less liabilities) were \$438,874 compared to \$279,828 in the prior year indicating a stronger financial position.

The Authority had an operating surplus of \$141,322 for the year compared to an operating surplus of \$17,724 in the prior year. The 2018-19 surplus can be attributed to increased regular contributions from Government of Northwest Territories department of Education, Culture and Employment. The accumulated surplus at year end is \$438,874.

The Yellowknife Education District #1 Payable increased from \$82,699 to \$179,187. The increase is due to the Authority having three months of payroll payable at yearend compared to only two months in 2018.

Dettah DEA received 97% (2018 - 97%) of its funding from the GNWT. The core funding increased from \$1,296,264 to \$1,640,745 in the current year.

### **Summary and Outlook**

#### **Achievements and Successes:**

- In June 2019; five former students of Kaw Tay Whee School graduated from high school. This is a major change in the trend.
- 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
- 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 2018-2019 school year; thus potentially having a financial impact on the funding allocations for the 2019-2020 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  
Dettah District Education Authority

### Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2019

The Management Discussion and Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed and approved 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 Dettah District Education Authority 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 Dettah District Education Authority

  
\_\_\_\_\_  
Superintendent  
Dettah District Education Authority

September 27, 2019

## Independent Auditors' Report

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

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of Dettah District Education Authority (the "Authority") which comprise the Statement of Financial Position as at June 30, 2019 and the Statement of Changes in Net Assets, Statements of Operations and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Dettah District Education Authority as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independent Auditors' Report (continued)

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Independent Auditors' Report (continued)

### *Report on Compliance with Specified Authorities*

In conjunction with the audit of the financial statements, we have audited transactions of the Authority coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Government of the Northwest Territories - Department of Education, Culture and Employment.

In our opinion, the transactions of the Authority that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above.

Management is responsible for the Authority's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the entity to comply with the specified authorities.

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Yellowknife, Northwest Territories  
September 27, 2019

Chartered Professional Accountants

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**Dettah District Education Authority**

**Statement of Financial Position**

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**As at June 30,** **2019**      **2018**

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**Financial Assets**

Cash and cash equivalents (Note 4) \$ 745,322 \$ 456,356

**Liabilities**

Accounts payable and accrued liabilities (Note 10) 39,353 44,794  
Payroll liabilities (Note 10) 3,231 3,049  
Contributions repayable (Note 12) 2,000 -  
Due to Yellowknife Education District #1 (Note 24) 179,187 82,699  
Deferred revenue (Note 11) 52,400 -  
Leave and termination benefit (Note 17) 30,277 28,262

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**306,448**      158,804

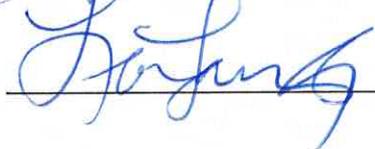
**Accumulated Surplus and Net Financial Assets** **\$ 438,874** \$ 297,552

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**Contractual obligations and contingencies (Note 22 and 23)**

**Approved on behalf of the Education Authority**

 for Rebecca Plotner  
Chairperson

 Principal

# Dettah District Education Authority

## Statement of Operations

For the year ended June 30,	2019	2019	2018
	Budget (unaudited)	Actual	Actual
<b>Revenues</b>			
<b>Government of the NWT</b>			
ECE Regular Contributions	\$ 1,624,744	\$ 1,640,745	\$ 1,296,264
ECE Other Contributions (Note 31)	-	2,000	35,700
<b>Total ECE</b>	1,624,744	1,642,745	1,331,964
Other GNWT Contributions (Note 32)	25,000	18,667	17,000
<b>Total GNWT</b>	1,649,744	1,661,412	1,348,964
<b>Government of Canada</b>			
Jordan's Principle (Schedule 5)	-	52,400	-
Transfer to deferred revenue	-	(52,400)	-
<b>Education Body Generated Funds</b>			
Donations	-	37,308	33,083
Investment Income	-	4,263	1,588
<b>Total Generated Funds</b>	-	41,571	34,671
	-	-	-
<b>Total Revenues</b>	<b>\$ 1,649,744</b>	<b>\$ 1,702,983</b>	<b>\$ 1,383,635</b>
<b>Expenditures (Schedule 1)</b>			
Administration	113,600	133,254	124,114
School Programs	980,094	853,050	793,505
Inclusive Schooling	360,338	329,340	318,747
Indigenous Languages	146,411	246,017	129,545
	<b>\$ 1,600,443</b>	<b>\$ 1,561,661</b>	<b>\$ 1,365,911</b>
<b>Operating Surplus (deficit) before other items</b>	<b>49,301</b>	<b>141,322</b>	<b>17,724</b>
<b>Other Items</b>			
Grant in-kind - Assets provided at no cost (Note 21)	-	42,111	42,111
Rent expense - Assets provided at no cost (Note 21)	-	(42,111)	(42,111)
<b>Operating Surplus (deficit)</b>	<b>49,301</b>	<b>141,322</b>	<b>17,724</b>
<b>Opening Accumulated Surplus</b>	<b>297,552</b>	<b>297,552</b>	<b>279,828</b>
<b>Closing Accumulated Surplus</b>	<b>\$ 346,853</b>	<b>\$ 438,874</b>	<b>\$ 297,552</b>

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**Dettah District Education Authority**

**Statement of Changes in Net Assets**

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<b>For the year ended June 30,</b>	<b>2019</b>	<b>2018</b>
<b>Operating surplus</b>	<b>\$ 141,322</b>	<b>\$ 17,724</b>
<b>Net assets, beginning of year</b>	<b>297,552</b>	<b>279,828</b>
<b>Net assets, end of year</b>	<b>\$ 438,874</b>	<b>\$ 297,552</b>

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## Dettah District Education Authority

### Statement of Cash Flows

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For the year ended June 30,	2019	2018
<b>Cash provided by (used in):</b>		
<b>Operating transactions</b>		
Operating surplus (deficit)	\$ 141,322	\$ 17,724
<b>Changes in non-cash assets and liabilities</b>		
Increase (decrease) accounts payable	(5,443)	(4,398)
Increase (decrease) payroll liabilities	184	(32)
Increase (decrease) due to Yellowknife District Education #1	96,488	(56,895)
Increase (decrease) contribution repayable	2,000	-
Increase (decrease) deferred revenue	52,400	-
Increase (decrease) post employment benefits	2,015	(420)
	<b>147,644</b>	<b>(61,745)</b>
<b>Cash provided by (used in) operating transactions</b>	<b>288,966</b>	<b>(44,021)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>288,966</b>	<b>(44,021)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>456,356</b>	<b>500,377</b>
<b>Cash and cash equivalents at end of year (Note 4)</b>	<b>\$ 745,322</b>	<b>\$ 456,356</b>

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# Dettah District Education Authority

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 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

These financial statements have been prepared in accordance with Canadian public sector accounting standards. The 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.

#### (b) Cash and Cash Equivalents

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

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## **Detah District Education Authority**

### **Notes to Consolidated Financial Statements**

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**June 30, 2019**

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#### **2. Significant Accounting Policies (continued)**

##### **(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 measured at amortized cost include cash and cash equivalents.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, payroll liabilities, contributions repayable, leave and termination benefits 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**

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 Government of the Northwest Territories. The Minister grants to the Education Authority the full occupancy and use of such facilities and equipment where requested 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 Government of the Northwest Territories. Capital assets with a value of less than \$50,000 are recorded as a current expenditure.

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## **Dettah District Education Authority**

### **Notes to Consolidated Financial Statements**

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**June 30, 2019**

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#### **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 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 Education 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 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.

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## **Deftah District Education Authority**

### **Notes to Consolidated Financial Statements**

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**June 30, 2019**

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#### **2. Significant Accounting Policies (continued)**

##### **(f) Revenue recognition (continued)**

###### **Special Purpose Funds**

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

##### **(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 Education Authority.

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

##### **(h) 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 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.

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## **Dettah District Education Authority**

### **Notes to Consolidated Financial Statements**

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**June 30, 2019**

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#### **2. Significant Accounting Policies (continued)**

##### **(i) Inventories Including Materials and Supplies**

Inventories of books, materials, supplies and other expendables purchased by the Education 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.

##### **(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) Expenditures**

Expenditures 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 expenditures when the transfer is authorized and eligibility criteria have been met by the recipient.

##### **(m) Foreign Currency Translation**

Foreign currency transactions are to be translated in Canadian dollars. Revenues and expenditures denominated in a foreign currency are reported at a rate in the date of the transaction. Monetary items that have yet to be settled at the exchange rate are translated at the exchange rate in effect on the date of financial statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.

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# Dettah District Education Authority

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 2. Significant Accounting Policies (continued)

#### (n) Segment Disclosures

The Schedule of Operating Fund - Detail of Expenditures has been prepared in accordance with PS Handbook Section PS 2700 – Segment Disclosures. The segments selected are to enable users to better understand the government reporting entity and the major revenue and expenditure activities of the Board. For each reported segment, revenue and expenditures represent amounts directly attributable to each segment. Segments include:

School Programs: pertains to the provision of instructional services that falls under the basic public education mandate.

Inclusive Schooling: pertains to access to quality education for all students by effectively meeting their diverse needs.

Administration: pertains to the provision of board governance and central office administration, operation and maintenance.

Indigenous Languages: pertains to indigenous language resource development, support for language teachers and instructors, and enhance community engagement.

Transfers and others: pertains to amortization, debenture interest and gain or loss on sale (disposal) of tangible capital assets.

During the year the segments; Operations and Maintenance and Administration were combined to comprise the segment above titled Administration.

### 3. Future Accounting Changes

#### Asset Retirement Obligations, Proposed Section PS 3280

This section will be effective for fiscal years beginning on or after July 1, 2021 and is intended to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset retirement obligations, including obligations that may not have previously been reported. This section would require public sector entities to review existing contract, legislation, regulations, and other sources to identify retirement activities associated with its controlled tangible capital assets.

#### Revenue, Proposed Section PS 3400

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

The impact of the transition to this proposed accounting standard, if any, has not yet been determined.

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**Dettah District Education Authority****Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**4. Cash and Cash Equivalents**

	2019	2018
Cash and cash equivalents	\$ 745,322	\$ 456,356

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**5. Special Purpose Funds**

The Education Authority does not have special purpose funds.

**6. Restricted Assets**

The Education Authority does not have restricted assets.

**7. Portfolio Investments**

The Education Authority does not have any portfolio investments.

**8. Accounts Receivable**

The Education 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**

	2019	2018
Trade payable	\$ 39,353	\$ 44,794
Payroll liabilities	3,231	3,049
	<b>\$ 42,584</b>	<b>\$ 47,843</b>

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## Dettah District Education Authority

### Notes to Consolidated Financial Statements

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June 30, 2019

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#### 11. Deferred Revenue

	2019	2018
<b>Government of Canada</b>		
Jordan's Principle	\$ 52,400	\$ -

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#### 12. Contributions Repayable

	2019	2018
<b>Government of the Northwest Territories</b>		
Department of Education, Culture and Employment	\$ 2,000	-

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#### 13. Due From and To the Government of Canada

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

#### 14. Capital Lease Obligations

The Education Authority does not have capital lease obligations.

#### 15. Pensions

The Education 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 \$38,345. 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 \$171,368 for January 2019, and \$166,787 for January 2018. The maximum monthly contributions is \$3,026 for January 2019, and \$2,944 for January 2018.

NEBS is an employer owned program and as such the Education Authority will be liable for its portion of any shortfall. The Plan serves 3202 Employee Members and 111 Employer Members (total active, disabled and on leave 1,930).

As of January 1, 2019, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be \$25,300,000 - funded ratio 112% (2018 - \$24,000,000 and 112%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of \$128,900,000 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, 2018, the NEBS Pension plan Trust Fund balance of \$15,123,613.

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.

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## Dettah District Education Authority

### Notes to Consolidated Financial Statements

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June 30, 2019

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#### 16. Long-Term Debt

The Education Authority does not have long-term debt.

#### 17. Post Employment Benefits and Compensated Absences and Termination Benefits

In addition to the pension benefits, the Education 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 Education 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, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2019 and the results extrapolated to June 30, 2019. 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	2019
<b>Changes in Obligations</b>			
Accrued benefit obligation, beginning of year	\$ 14,538	\$ 5,925	\$ 20,463
Current period benefit cost	1,823	508	2,331
Interest accrued	553	217	770
Benefits payments	-	(178)	(178)
Actuarial (gain)/loss	1,988	1,342	3,330
<b>Accrued benefit obligations end of year</b>	<b>(18,902)</b>	<b>(7,814)</b>	<b>(26,716)</b>
<b>Unamortized net actuarial loss</b>	<b>(4,064)</b>	<b>503</b>	<b>(3,561)</b>
<b>Accrued benefit liability</b>	<b>(22,966)</b>	<b>(7,311)</b>	<b>(30,277)</b>
<b>Benefit expenses</b>			
Current service costs	1,823	508	2,331
Interest costs	553	217	770
Amortization of actuarial gains	(833)	(75)	(908)
	\$ 1,543	\$ 650	\$ 2,193

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## Dettah District Education Authority

### Notes to Consolidated Financial Statements

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June 30, 2019

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#### 17. Post Employment Benefits and Compensated Absences and Termination Benefits (continued)

The discount rate used to determine the accrued benefit obligation was an average of 3.2%, (2018 - 3.8%). The expected payments during the next five fiscal years are:

	Severance and removal	Compensated absences	Total
2020	\$ 4,866	\$ 2,083	\$ 6,949
2021	3,015	1,132	4,147
2022	2,007	612	2,619
2023	1,576	332	1,908
2024	1,335	197	1,532
2024 - 2028	4,897	846	5,743
<b>Total</b>	<b>\$ 17,696</b>	<b>\$ 5,202</b>	<b>\$ 22,898</b>

#### 18. Trust Assets Under Administration

The Education Authority does not have trust assets under administration.

#### 19. Tangible Capital Assets

The Education Authority does not have tangible capital assets.

#### 20. Prepaid Expenses and Deposits

The Education Authority does not have prepaid expenses and deposits.

#### 21. GNWT Assets Provided At No Cost

			2019	2018
	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Kaw Tay Whee	\$ 895,327	\$ 526,863	\$ 368,464	\$ 410,575

Rent expense of \$42,111 (2018 - \$42,111) was offset by a grant in-kind.

#### 22. Contractual Obligations

The Education Authority does not have any contractual obligations.

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## Dettah District Education Authority

### Notes to Consolidated Financial Statements

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June 30, 2019

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#### 23. Contingencies

The Education Authority does not have any contingencies.

#### 24. 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.

	2019	2018
<b>Due to Related Party</b>		
Yellowknife Education District #1	\$ 179,187	\$ 82,699

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	2019	2018
<b>Revenues from Related Parties</b>		
Government of the Northwest Territories		
Department of Education, Cultural and Employment	\$ 1,642,745	\$ 1,331,964
Department of Municipal and Community Affairs	16,400	17,000
Department of Health and Social Services	2,267	-
<b>Total revenues from related parties</b>	<b>\$ 1,661,412</b>	<b>\$ 1,348,964</b>

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	2019	2018
<b>Expenses Paid to Related Parties</b>		
Yellowknife Catholic Schools	\$ 287,827	\$ 266,147
Yellowknife Education District #1	46,327	49,094
<b>Total expenses to related parties</b>	<b>\$ 334,154</b>	<b>\$ 315,241</b>

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#### 25. 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 Education Authority.

The budget figures presented are those approved by the Minister of Education, Culture and Employment on June 15, 2017 and have not been audited.

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## **Dettah District Education Authority**

### **Notes to Consolidated Financial Statements**

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**June 30, 2019**

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#### **26. Economic Dependence**

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

#### **27. Financial Instruments**

The Education 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 \$745,322 (2018 - \$456,356).

##### **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, contributions repayable and amounts due to Yellowknife Education District #1 for a total \$223,771 (2018 - \$130,542).

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.

# Dettah District Education Authority

## Notes to Consolidated Financial Statements

June 30, 2019

### 27. Financial Instruments (continued)

The table below shows when various financial assets and liabilities mature:

<b>Financial assets</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	\$ 745,322	\$ -	\$ -	\$ -
<b>Total financial assets</b>	<b>\$ 745,322</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total financial assets - prior year	\$ 456,356	\$ -	\$ -	\$ -
<b>Financial liabilities</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	\$ 39,353	\$ -	\$ -	\$ -
Due to Yellowknife Education District #1	179,187	-	-	-
Contributions Repayable	2,000	-	-	-
Deferred Revenue	2,000	-	-	-
Accrued payroll liabilities	3,231	-	-	-
<b>Total financial liabilities</b>	<b>\$ 225,771</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total financial liabilities - prior year	\$ 130,542	\$ -	\$ -	\$ -
<b>Net total</b>	<b>\$ 519,551</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net total - prior year	\$ 325,814	\$ -	\$ -	\$ -

### 28. Expenditures By Object

	2019 Budget	2019 Actual	2018 Actual
Compensation	\$ 1,099,363	\$ 836,396	\$ 765,171
Materials and freight	103,427	178,792	91,479
Services purchased or contracted	491,325	546,473	509,261
	<b>\$ 1,694,115</b>	<b>\$ 1,561,661</b>	<b>\$ 1,365,911</b>

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## Dettah District Education Authority

### Notes to Consolidated Financial Statements

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June 30, 2019

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#### 29. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2019 and the audit report date.

#### 30. Comparative Figures

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

#### 31. ECE Other Contributions

	2019		2018
Government of the Northwest Territories - Department of Education, Culture and Employment			
Health and Wellness Support	\$ 2,000	\$	-
Community Support	-		11,000
Safe Schools Cameras	-		24,700
	<b>\$ 2,000</b>	<b>\$</b>	<b>35,700</b>

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#### 32. GNWT Other Contributions

	2019		2018
Government of the Northwest Territories			
Department of Health and Social Services - Drop the pop	\$ 2,267	\$	-
Department of Municipal and Community Affairs- After School Physical Activity Program	16,400		17,000
	<b>\$ 18,667</b>	<b>\$</b>	<b>17,000</b>

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#### 33. Contingent Assets

The Education Authority does not have any contingent assets.

#### 34. Contractual Rights

The Education Authority does not have any contractual rights.

# Dettah District Education Authority

## Schedule 1 - Details of Expenditures

For the year ended June 30,

						Total 2019	Budget 2019	Total 2018
	School Programs	Operations and Maintenance	Administration	Indigenous Language and Culture (schedule 2)	Inclusive Schooling (schedule 4)	Total	Total	Total
<b>Salaries</b>								
Teachers	\$ 194,123	\$ -	\$ 24,224	\$ -	\$ 248,451	\$ 466,798	\$ 748,591	\$ 444,216
Instructional assistant	4,397	-	-	-	-	4,397	80,000	-
YK1 superintendent	-	-	27,500	-	-	27,500	-	27,500
Non-instructional staff	44,489	-	-	176,350	-	220,839	109,100	161,181
Board/Trustee honoraria	-	-	16,660	-	-	16,660	18,000	12,014
<b>Total salaries</b>	<b>243,009</b>	<b>-</b>	<b>68,384</b>	<b>176,350</b>	<b>248,451</b>	<b>736,194</b>	<b>955,691</b>	<b>644,911</b>
<b>Employee benefits</b>								
Employee benefits and allowances	32,907	-	8,107	18,173	38,999	98,186	50,000	120,680
Leave and termination benefits	833	-	(894)	1,229	848	2,016	-	(420)
<b>Total employee benefits</b>	<b>33,740</b>	<b>-</b>	<b>7,213</b>	<b>19,402</b>	<b>39,847</b>	<b>100,202</b>	<b>50,000</b>	<b>120,260</b>
<b>Services Purchased or Contracted</b>								
Advertising	23,385	-	3,785	2,602	21	29,793	37,000	20,289
Contracted services	297,609	-	30,580	-	-	328,189	307,825	293,301
Maintenance and upgrades	37	-	-	2,034	1,243	3,314	-	33,946
Other	29,728	-	22,036	585	-	52,349	-	52,413
Postage and communications	-	-	-	-	-	-	8,000	-
Professional and technical services	38,376	-	-	3,368	15,583	57,327	56,500	30,925
Student transportation (busing)	75,271	-	-	230	-	75,501	64,000	78,387
Travel	-	-	-	-	-	-	18,000	-
<b>Total Services Purchased or Contracted</b>	<b>464,406</b>	<b>-</b>	<b>56,401</b>	<b>8,819</b>	<b>16,847</b>	<b>546,473</b>	<b>491,325</b>	<b>509,261</b>
<b>Materials and Freight</b>								
Freight	850	-	105	-	-	955	-	53
Materials	111,045	-	1,151	41,446	24,195	177,837	103,427	91,426
<b>Total Materials and freight</b>	<b>111,895</b>	<b>-</b>	<b>1,256</b>	<b>41,446</b>	<b>24,195</b>	<b>178,792</b>	<b>103,427</b>	<b>91,479</b>
<b>Total Expenditures</b>	<b>\$ 853,050</b>	<b>\$ -</b>	<b>\$ 133,254</b>	<b>\$ 246,017</b>	<b>\$ 329,340</b>	<b>\$ 1,561,661</b>	<b>\$ 1,600,443</b>	<b>\$ 1,365,911</b>

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**Detah District Education Authority**

**Schedule 2  
Details of Indigenous Language and Culture Program Expenditures**

---

For the year ended June 30,

2019

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
<b>Salaries</b>					
Non-instructional staff	\$ 176,350	\$ -	\$ -	\$ -	\$ 176,350
<b>Employee Benefits</b>					
Employee benefits and allowances	18,173	-	-	-	18,173
Leave and termination benefits	1,229	-	-	-	1,229
	19,402				19,402
<b>Services Purchased or Contracted</b>					
Advertising	2,602	-	-	-	2,602
Other contracted services	2,619	-	-	-	2,619
Professional/technical services	3,368	-	-	-	3,368
Student transportation (bussing)	230	-	-	-	230
<b>Materials/Supplies/Freight</b>					
Materials	41,446	-	-	-	41,446
<b>Total</b>	<b>\$ 246,017</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 246,017</b>

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**Dettah District Education Authority**

**Schedule 3  
Indigenous Languages and Education Program**

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	July 1, 2018 to March 31, 2019	April 1, 2019 to June 30, 2019	Total
<b>Revenue</b>			
GNWT ECE funding	\$ 126,647	\$ 73,624	\$ 200,271
<b>Expenses</b>			
Salaries	106,631	77,730	184,361
Employee benefits	10,809	8,721	19,530
Services Purchased or Contracted	26,275	20,621	46,896
	<b>143,715</b>	<b>107,072</b>	<b>250,787</b>
<b>Net Deficit</b>	<b>\$ (17,068)</b>	<b>\$ (33,448)</b>	<b>\$ (50,516)</b>

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**Dettah District Education Authority****Schedule 4****Details of Inclusive Schooling Expenditures**

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For the year ended June 30,

2019

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	Staff Development	Assistive Technology	Jordan's Principle (schedule 5)	General Inclusive Schooling	Total
<b>Salaries</b>					
Program support teachers	\$ -	\$ -	\$ -	\$ 248,451	\$ 248,451
<b>Employee Benefits</b>					
Employee benefits and allowances	-	-	-	38,999	38,999
Leave and termination benefits	-	-	-	848	848
<b>Services Purchased or Contracted</b>					
Professional and technical services	-	-	-	15,583	15,583
Other contracted services	-	-	-	1,264	1,264
<b>Materials/Supplies/Freight</b>					
Materials	-	-	-	24,195	24,195
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 329,340</b>	<b>\$ 329,340</b>

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**Dettah District Education Authority**

**Schedule 5  
Jordan's Principle**

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<b>For the year ended June 30, Total</b>	<b>Budget 2019</b>	<b>Actual 2019</b>	<b>Actual 2018</b>
<b>Revenue</b>			
Government of Canada	\$ -	\$ 52,400	\$ -
<b>Expenses</b>			
Salaries	-	-	-
Employee benefits	-	-	-
Services Purchased or Contracted	-	-	-
	-	-	-
<b>Surplus</b>	\$ -	\$ 52,400	\$ -
<b>Transfer to deferred revenue</b>		\$ (52,400)	\$ -

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**K'alemi Dene School  
(Ndilo District Education Authority)**

**Financial Statements**

**June 30, 2019**

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**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Financial Statements**

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**June 30, 2019**

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## Management Discussion and Analysis

### Introduction

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

NDEA Vision: "Building our children's future by teaching and learning the Dene way."

Mission Statement: K'alemi Dene School is committed to providing quality education for our students by concentrating on the 4 components of learning:

- Language and culture
- Academics and technology
- Dene Laws and Virtues
- Physical and Active Living

Through the development of skills in these areas, students will grow and develop into respectful, healthy, diligent and strong Dene who will give back to their families, community and the North.

The vision and mission statement were developed during a community meeting in the Spring of 2010. Each year, the NDEA hosts a community meeting, where the vision and mission statements are discussed and community input is gathered. Both of these statements and input from NDEA and community meetings shape the learning priorities and planning for the K'alemi Dene School as reflected in the NDEA Operating Plan for the 2018-19 school year.

The NDEA is an independent legal and accounting entity with an elected Education Authority as stipulated in Section 82 of the Education Act. The Education Authority has decision making authority, the power to delegate authority, the ability to significantly influence operations and the sole accountability for all fiscal matters. Members serve a three-year term. The NDEA is responsible for one school, K'alemi Dene School (KDS). All members serve on the financial committee.

#### **Current NDEA Board Members:**

Lila Erasmus	Chair Person
Sarah Erasmus	Vice Chair Person
Theresa Black	Trustee
Roberta Campbell	Trustee
Myra Conrad	Trustee
Nyra Mackenzie	Trustee
Vacant Position	Trustee

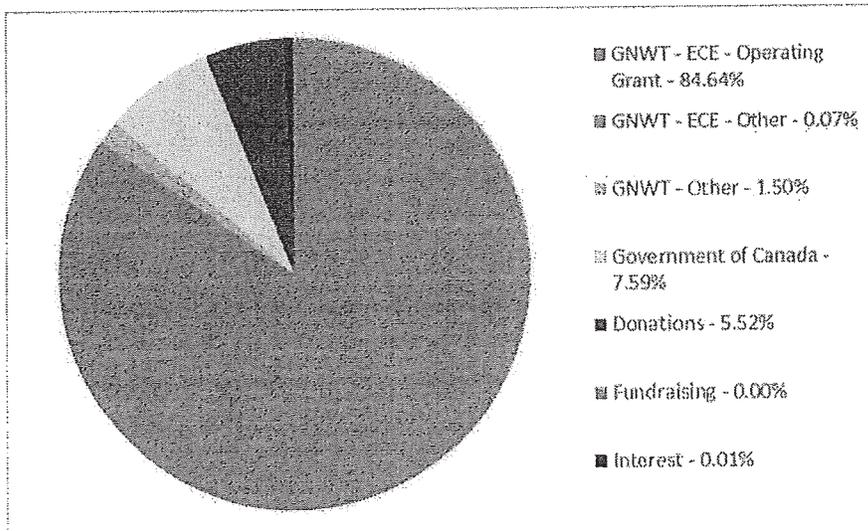
#### **Dettah District Education Authority Administration:**

Metro Huculak	Superintendent of Yellowknife Education District No. 1
Meagan Wowk	Principal of K'alemi Dene School

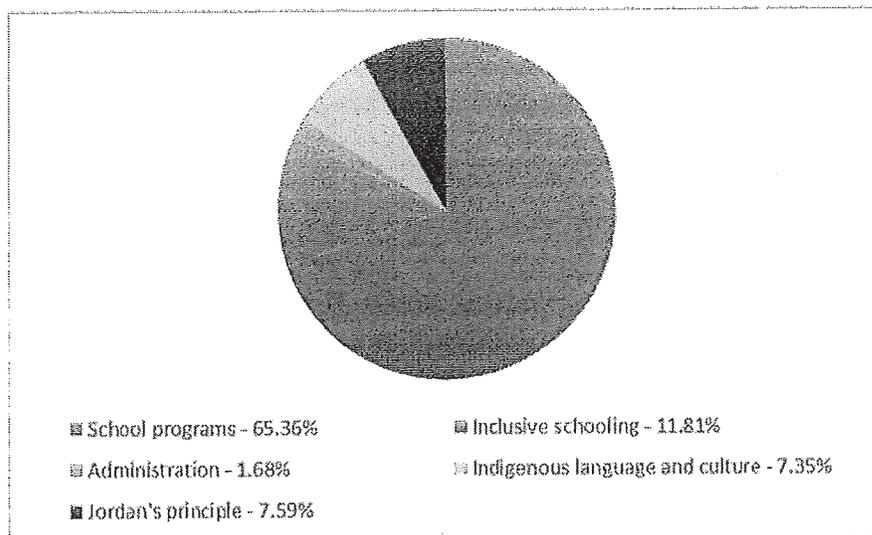
### Key Financial Highlights

- In 2018-19, KDS had an enrollment of 103 full time students from junior kindergarten to grade 12. For the past 5 years enrollment has fluctuated between 100 to 115 students.
- The NDEA has an accumulated surplus of \$1,030,612. This increased from \$851,740 in 2018. A healthy surplus is required to manage upcoming maternity leaves, fluctuating enrolment and the prospect of upcoming complex needs students.
- The NDEA is able to maintain a staff of approximately 19 full time employees. Most positions are funding by ECE's school funding formula, but the NDEA feels there are other positions required to deliver quality programming like the Food Service Assistant, Resiliency and Leadership Coordinator and additional Education Assistants.
- The school has 8 classrooms with varying grade levels. All classrooms are multi-grade splits.

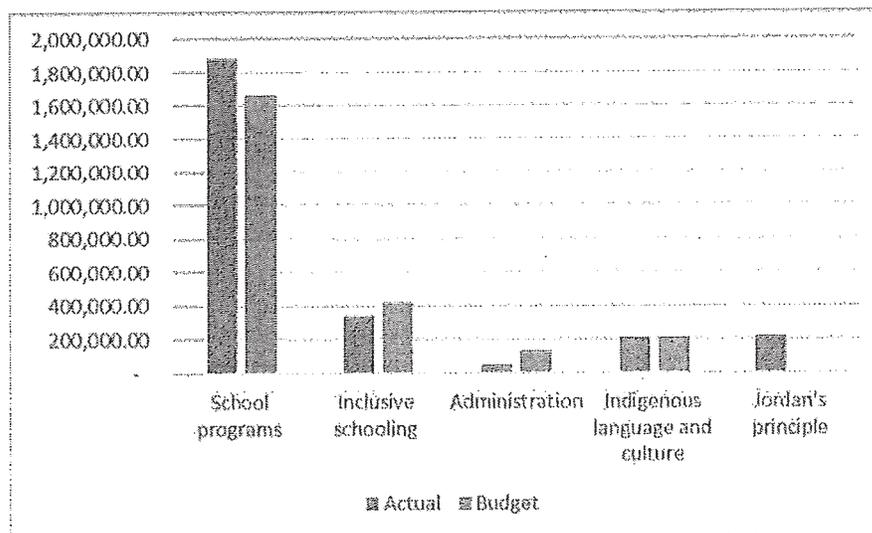
### Operating Revenue for the NDEA in 2019



**Expenditures by program for the NDEA in 2019**



**Operating expenditure actuals compared to budget for NDEA in 2019**



**NDEA Enrolment (FTE) by school and by grade as of September 30, 2018**

School	Grades													
	JK	K	1	2	3	4	5	6	7	8	9	10	11	12
KDS	4	9	12	7	11	7	7	8	6	10	10	4	9	3
DEA Total	4	9	12	7	11	7	7	8	6	10	10	4	9	3

During the 2018-19 school year, the NDEA employed:

Positions	Number of staff
Classroom Teachers	10
Language Instructor/Elder*	0.5
Indigenous Language and Culture Coordinator	1
PST	1
Educational Assistants	3
Food Service Assistant*	0.7
Custodian*	0.7
Resiliency Coordinator*	1
Principal/Regional Inclusive Coordinator	1
Total NDEA Staff	18.9

Please note the NDEA contracts superintendent services from Yellowknife Education District No. 1 (YK1). All instructional staff are employees of YK1 and follow the YK1 Collective Agreement. YK1 invoices the NDEA for salaries and benefits. The employees with asterisks are employees of the Yellowknives Dene First Nation (YKDFN). YKDFN invoices the NDEA for these salaries and benefits.

## **Operating Environment**

### **Strengths and Opportunities**

KDS is a small community school that serves students and families from junior kindergarten to grade 12. We have a comprehensive culture program that includes an Elder, Wiilideh Yatì Instructor and Indigenous Language and Culture Coordinator. Language classes follow the new curriculum *Our Languages* developed by the Department of Education, Culture and Employment (ECE). The culture camps are planned using the seasonal Yellowknives Dene First Nation calendar. Enhancing our language and culture program remains a priority to the NDEA and we continue to seek opportunities to expand our programming and capacity for delivering quality programming.

We provide an inclusive education environment that many families from Yellowknife seek out. We also ensure all of our families have access to transportation, a food program and integrated services in the school. It is the priority of the NDEA to maintain small classroom sizes. This ensures that classroom teachers have the time required to meet individual needs.

At this time, KDS has received additional funding to support an Alternative High School program for students who have not been successful in the traditional model. We feel it is important to meet these students needs by providing flexible scheduling and other supports to help them complete courses and provide supports for healthy living.

### **Weaknesses and Threats**

As identified by the Early Development Instrument (EDI) and Middle Development Instrument (MDI), many of our students enter school with vulnerabilities in their different areas of their development. Both the EDI and MDI are assessments mandated by ECE and administered in kindergarten, grade four and grade seven.

There are also a number of poverty, addictions and mental health issues facing our students and families. It is critical that interagency partnerships are established so that proactive supports can be put into place.

As well, the lack of gymnasium continues to threaten KDS programming and enrollment. The NDEA is grateful to YKDFN for the use of the Ndilo Community Gym. Unfortunately, this space is frequently used for meetings, funerals and other community events. The community gym is also small and not adequate for older students. This often hinders skill development because students do not have the space to run drills or multiple games. KDS often loses students to other Yellowknife schools due to inadequate gymnasium space.

Lack of classroom space continues to provide challenges to the types of programming we can offer and hinders opportunities for growth. To accommodate programming changes, the activity room and computer room have been converted to classrooms. We are often at loss for space for counselling and health services.

Fluctuating enrollment has the potential to threaten funding and the programs offered. When one or two families move away, students switch schools or a low birth year, these factors can dramatically affect enrollment, thus funding.

### **Financial Condition**

The Authority's financial assets increased from \$1,387,766 to \$1,678,281. A portion of this increase relates to monies received for the Jordan's Principle deferred to 2019-20 in the amount of \$114,215. This year the net financial assets (financial assets less liabilities) were \$1,025,836 compared to \$847,438 in the prior year.

The Authority had an operating surplus of \$178,872 for the year. This surplus is mainly attributed a decrease in salary expenditures. The Authority managed to decrease its expenditures, resulting in an operating surplus in 2019. The accumulated surplus at year end is \$1,030,612.

Accounts payable and accrued liabilities have decreased from \$74,362 to \$50,499 due decrease in amounts owing on VISA at year end.

The Yellowknife Education District No. 1 payable remained comparable at \$429,132 in 2019 versus \$416,876 in 2018, representing payroll costs for June, July and August 2019.

In 2019, the NDEA received 86% of its funding from the GNWT. The core funding increased from \$2,438,063 to \$2,440,179 in the current year. The NDEA received funding from the Government of Canada for the Jordan's Principle program in 2019. Other revenue in the current year of funding mainly consists of donations for high school travel and for a basketball court in 2019.

## 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, 2019

The Management Discussion and 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 K'alemi Dene School ("the Education 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 Education Authority have been conducted within the statutory powers of the 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 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 Education Authority



Superintendent

September 25, 2019

## **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 Financial Statements***

We have audited the accompanying financial statements of K'alemi Dene School (the "Authority") which comprise the Statement of Financial Position as at June 30, 2019 and the Statement of Changes in Net Assets, Statements of Operations and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of K'alemi Dene School as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Other Information***

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independent Auditors' Report (continued)

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## Independent Auditors' Report (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### *Report on Compliance with Specified Authorities*

In conjunction with the audit of the financial statements, we have audited transactions of the Authority coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Government of the Northwest Territories - Department of Education, Culture and Employment.

In our opinion, the transactions of the Authority that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above.

Management is responsible for the Authority's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the entity to comply with the specified authorities.

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

Yellowknife, Northwest Territories  
September 25, 2019



Chartered Professional Accountants

**K'alemi Dene School**  
(Ndilo District Education Authority)

**Statement of Financial Position**

As at June 30, 2019 2018

**Financial Assets**

Cash and cash equivalents (Note 4)	\$ 1,579,957	\$ 1,305,675
Portfolio investments (Note 7)	76,883	76,500
Due from Government of Canada (Note 13)	18,225	5,116
Accounts receivable (Note 8)	3,216	475
	<b>1,678,281</b>	<b>1,387,766</b>

**Liabilities**

Accounts payable and accrued liabilities (Note 10)	46,091	50,499
Payroll liabilities (Note 10)	445,389	449,904
Deferred revenue (note 11)	114,215	-
Leave and termination benefits (Note 17)	45,751	39,925
	<b>651,446</b>	<b>540,328</b>

**Net Assets**

**1,026,835** **847,438**

**Non-Financial Assets**

Prepaid expenses (Note 20)	3,776	4,296
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**Accumulated Surplus**

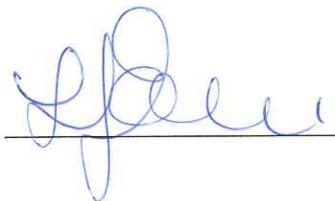
**\$ 1,030,611** **\$ 851,734**

**Represented By:**

Operating Fund	<b>\$ 1,030,611</b>	<b>\$ 851,734</b>
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**Contractual obligations and contingencies (Notes 22 and 23)**

**Approved on behalf of the Education Authority**

 Chairperson

 Trustee

**K'alemi Dene School**  
(Ndilo District Education Authority)

**Statement of Operations**

For the year ended June 30,	2019	2019	2018
	Budget (unaudited)	Actual	Actual
<b>Revenue</b>			
<b>Government of the Northwest Territories (GNWT)</b>			
ECE Regular contributions	\$2,414,646	\$2,440,179	\$2,438,063
ECE Other contributions (Note 31)	-	2,000	18,864
<b>Total ECE</b>	<b>-</b>	<b>2,442,179</b>	<b>2,456,927</b>
<b>GNWT Other contributions (Note 32)</b>	<b>16,000</b>	<b>43,175</b>	<b>28,566</b>
<b>Government of Canada</b>			
Jordan's Principle (Schedule 5)	-	333,180	-
Transfer to deferred revenue (Note 11)	-	(114,215)	-
<b>Total Government of Canada</b>	<b>-</b>	<b>218,965</b>	<b>-</b>
<b>Education authority generated funds</b>			
Donations	100,000	159,171	72,452
Fundraising	-	-	20,500
Transfers from other education authorities	-	19,159	1,845
Interest income	-	383	224
	<b>2,530,646</b>	<b>2,883,032</b>	<b>2,580,514</b>
<b>Expenditures (Schedule 1)</b>			
School programs	2,053,904	1,884,274	1,881,245
Inclusive schooling	529,861	559,355	351,293
Administration	48,000	48,573	10,852
Indigenous Language and Culture	217,931	211,959	177,025
	<b>2,849,696</b>	<b>2,704,161</b>	<b>2,420,415</b>
<b>Operating surplus before other items</b>	<b>(319,050)</b>	<b>178,871</b>	<b>160,099</b>
<b>Other items</b>			
Grant in-kind - Assets provided at no cost (Note 21)	-	226,653	226,653
Rent expense - Assets provided at no cost (Note 21)	-	(226,653)	(226,653)
	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating surplus</b>	<b>(319,050)</b>	<b>178,871</b>	<b>160,099</b>
<b>Opening accumulated surplus</b>	<b>851,740</b>	<b>851,740</b>	<b>691,641</b>
<b>Closing accumulated surplus</b>	<b>\$ 532,690</b>	<b>\$1,030,611</b>	<b>\$ 851,740</b>

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Statement of Changes in Net Assets**

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<b>For the year ended June 30,</b>	<b>2019</b>	<b>2018</b>
<b>Operating surplus</b>	<b>\$ 178,871</b>	<b>\$ 160,099</b>
<b>Change in prepaid expenses</b>	<b>526</b>	<b>686</b>
<b>Increase in net assets</b>	<b>179,397</b>	<b>160,785</b>
<b>Net assets, beginning of year</b>	<b>847,438</b>	<b>686,653</b>
<b>Net assets, end of year</b>	<b>\$ 1,026,835</b>	<b>\$ 847,438</b>

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Statement of Cash Flows**

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For the year ended June 30,	2019	2018
<b>Cash provided by (used in):</b>		
<b>Operating Activities</b>		
Operating surplus	\$ 178,871	\$ 160,099
<b>Change in non-cash assets and liabilities</b>		
Decrease (increase) in accounts receivable	(2,741)	25
Increase (decrease) in deferred revenue	114,215	-
Increase (decrease) in accounts payable and accrued liabilities	(4,408)	(23,862)
Increase (decrease) in payroll liabilities	(4,515)	(173,837)
Increase (decrease) in leave and termination benefits	5,826	6,143
Decrease (increase) in amounts due from Government of Canada	(13,109)	38,535
Decrease (increase) in prepaid expenses	526	686
	<b>95,794</b>	<b>(152,310)</b>
<b>Cash provided by (used in) operating transactions</b>	<b>274,665</b>	<b>7,789</b>
<b>Investing Activity</b>		
Re-invested interest	(383)	(10,000)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>274,282</b>	<b>(2,211)</b>
<b>Cash and cash equivalents, beginning of year (Note 4)</b>	<b>1,305,675</b>	<b>1,307,886</b>
<b>Cash and cash equivalents, end of year (Note 4)</b>	<b>\$ 1,579,957</b>	<b>\$ 1,305,675</b>

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# K'alemi Dene School

## Schedule 2 Details of Inclusive Schooling Expenditures

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For the year ended June 30,

2019

	Jordan's Principle	General Inclusive Schooling	Total
<b>Salaries</b>			
Teachers' salaries	\$ -	\$ 183,588	\$ 183,588
Instruction assistants	124,382	89,386	213,768
<b>Total Salaries</b>	<b>124,382</b>	<b>272,974</b>	<b>397,356</b>
<b>Employee Benefits</b>	<b>\$ 28,292</b>	<b>\$ 53,324</b>	<b>81,616</b>
<b>Services Purchased or Contracted</b>			
Professional/technical services	-	11,025	11,025
Student transportation (busing)	65,808	106	65,914
Travel	-	1,353	1,353
<b>Total Services Purchased or Contracted</b>	<b>65,808</b>	<b>12,484</b>	<b>78,292</b>
<b>Total Materials/Supplies/Freight</b>	<b>483</b>	<b>1,608</b>	<b>2,091</b>
<b>Total Expenditures</b>	<b>\$ 218,965</b>	<b>\$ 340,390</b>	<b>\$ 559,355</b>

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**K'alemi Dene School****Schedule 3****Details of Indigenous Language and Education Program Expenditures**

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**For the year ended June 30, 2019**

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	Student Instruction	Total
<b>Salaries</b>		
Teachers' salaries	\$ 127,789	\$ 127,789
Language consultants	14,334	14,334
Instruction assistants	-	-
Non-instructional staff	-	-
	<b>142,123</b>	<b>142,123</b>
<b>Employee Benefits</b>	<b>30,292</b>	<b>30,292</b>
<b>Services Purchased/Contracted</b>		
Maintenance and repairs	207	207
Professional/technical services	29,736	29,736
Student transportation (bussing)	407	407
Travel	806	806
	<b>31,156</b>	<b>31,156</b>
<b>Materials/Supplies/Freight</b>	<b>8,388</b>	<b>8,388</b>
<b>Total</b>	<b>\$ 211,959</b>	<b>\$ 211,959</b>

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# K'alemi Dene School

## Schedule 4 Indigenous Language and Education

For the year ended June 30, 2019

	July 1, 2018 to March 31, 2019	April 1, 2019 to June 30, 2019	Total
<b>Revenue</b>			
GNWT Education, Culture and Employment	\$ 173,168	\$ 98,752	\$ 271,920
	<b>173,168</b>	<b>98,752</b>	<b>271,920</b>
<b>Expenditures</b>			
Salaries	88,392	53,731	142,123
Employee benefits	16,169	14,123	30,292
Services purchased/contracted	20,289	12,315	32,604
Materials/supplies/freight	2,818	4,122	6,940
	<b>127,668</b>	<b>84,291</b>	<b>211,959</b>
<b>Surplus (deficit)</b>	<b>\$ 45,500</b>	<b>\$ 14,461</b>	<b>\$ 59,961</b>

# K'alemi Dene School

## Schedule 5

### Jordan's Principle

For the year ended June 30, 2019

2019

#### Revenue

Government of Canada \$ 333,180

#### Expenditures

Salaries 124,382

Employee benefits 28,291

Services purchased/contracted 65,809

Materials/supplies/freight 483

218,965

#### Surplus

\$ 114,215

#### Transfer to deferred revenue

\$ (114,215)

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**1. Nature of Operations**

K'alemi Dene School (the "Education 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 Education Authority.

The Education 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 Education 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 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.

**(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 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 and cash equivalents, portfolio investments, accounts receivable, and due to government of Canada.

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

**June 30, 2019**

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**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 Education 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.

**June 30, 2019**

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**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 price and volume fluctuation, and are received in monthly installments. The Education 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.

**Other Contributions**

The Education 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 Education 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 \$77,764 (2018 - \$40,468).

The school bus used by the Education 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 Education Authority would have had to purchase. As such a bus pass expense and corresponding revenue has been reported in the Statement of Operations. The fair value of these services is \$27,860 (2018 - \$20,500).

**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.

**Special Purpose Funds**

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

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**2. Significant 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 and the budget is legally adopted by a motion of the Board of 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*.

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 Education Authority.

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

**(h) 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.

**(i) Inventories Including Materials and Supplies**

Inventories of books, materials, supplies and other expendables purchased by the Education 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.

**June 30, 2019**

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**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 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) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**(m) Foreign Currency Translation**

Foreign currency translations are to be translated in Canadian dollars. Revenues and expenses denominated in a foreign currency are reported at the rate in the date of the transaction. Monetary items that have yet to be settled at the exchange rate are translated at the exchange rate in effect on the date of financial statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.

**(n) 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 Education 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 Statement of Operations.

**(o) Net Financial Assets (Debt)**

The Education 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 Education 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.

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**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**2. Significant Accounting Policies (continued)**

**(p) Segment Disclosure**

The Schedule of Operating Fund - Detail of Expenditures has been prepared in accordance with PS Handbook Section PS 2700 – Segment Disclosures. The segments selected are to enable users to better understand the government reporting entity and the major revenue and expenditure activities of the Board. For each reported segment, revenue and expenditures represent amounts directly attributable to each segment. Segments include:

School Programs: pertains to the provision of instructional services that falls under the basic public education mandate.

Inclusive Schooling: pertains to access to quality education for all students by effectively meeting their diverse needs.

Administration: pertains to the provision of board governance and central office administration and maintenance.

Indigenous Languages and Culture: pertains to Indigenous language resource development, support for language teachers and instructors, and enhance community engagement.

**(q) 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 exists; contamination exceeds the environmental standard; the Education 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, 2019.

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 Education Authority has concluded that there is no contamination that exceeds environmental standards and as a result there are no liabilities for contaminated sites.

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**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**3. Future Accounting Changes**

**Asset Retirement Obligations, Proposed Section PS 3280**

This section will be effective for fiscal years beginning on or after July 1, 2021 and is intended to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset retirement obligations, including obligations that may not have previously been reported. This section would require public sector entities to review existing contract, legislation, regulations, and other sources to identify retirement activities associated with its controlled tangible capital assets.

The impact of the transition to this proposed accounting standard, if any, has not yet been determined.

**Revenue, Proposed Section PS 3400**

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

**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 Education Authority does not have special purpose funds.

**6. Restricted Assets**

The Education Authority does not have restricted assets.

**7. Portfolio Investments**

The Education Authority has a \$76,883 one-year guaranteed investment certificate (GIC) with the Royal Bank of Canada (RBC). The GIC has an interest rate of 0.500% (2018 - 0.500%) per annum and matures on July 26, 2019.

**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**8. Accounts Receivable**

	Accounts Receivable 2019	Allowance 2019	Net 2019	Net 2018
Accounts receivable	\$ 2,741	\$ -	\$ 2,741	\$ -
Due from GNWT	475	-	475	475
	<b>\$ 3,216</b>	<b>\$ -</b>	<b>\$ 3,216</b>	<b>\$ 475</b>

**9. Inventories**

The Education Authority does not have inventories.

**10. Accounts Payable and Accrued Liabilities**

	2019	2018
Trade	\$ 46,091	\$ 50,499
Payroll liabilities	445,389	449,904
	<b>\$ 491,480</b>	<b>\$ 500,403</b>

**11. Deferred Revenue**

	2019	2018
<b>Government of Canada</b>		
Jordan's Principle	\$ 114,215	\$ -

**12. Contribution Repayable**

The Education Authority does not have contribution repayable.

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

	2019	2018
Goods and Services Tax receivable	\$ 18,225	\$ 5,116

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**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**14. Capital Lease Obligations**

The Education Authority does not have capital lease obligations.

**15. Pensions**

The Education 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 \$226,118. 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 \$171,368 for January 2019, and \$166,787 for January 2018. The maximum monthly contributions is \$3,026 for January 2019, and \$2,944 for January 2018.

NEBS is an employer owned program and as such the Education Authority will be liable for its portion of any shortfall. The Plan serves 3,202 Employee Members and 111 Employer Members (total active, disabled and on leave 1,930).

As of January 1, 2019, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be \$25,300,000 - funded ratio 112% (2018 - \$24,000,000 and 112%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of \$128,900,000 and a solvency ratio of 64.0%. 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, 2018, the NEBS Pension plan Trust Fund balance of \$15,123,613.

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 Education Authority does not have long term debt.

**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**17. Leave and Termination Benefits**

In addition to the pension benefits, the Education 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 Education 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, 2018 to June 30, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2019 and the results extrapolated to June 30, 2019. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Education Authority.

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>2019</b>	<b>2018</b>
<b>Changes in Obligation</b>				
Accrued benefit obligation, beginning of year	\$ 30,107	\$ 9,267	\$ 39,374	\$ 37,894
Current period benefit cost	3,359	872	4,231	4,280
Interest accrued	1,222	381	1,603	1,351
Actuarial (gains)/losses	(13,602)	(2,100)	(15,702)	(4,150)
<b>Accrued benefit obligation, end of year</b>	<b>(21,086)</b>	<b>(8,420)</b>	<b>(29,506)</b>	<b>(39,375)</b>
<b>Unamortized net actuarial gain/(loss)</b>	<b>(13,757)</b>	<b>(2,488)</b>	<b>(16,245)</b>	<b>(550)</b>
<b>Accrued benefit liability</b>	<b>\$ (34,843)</b>	<b>\$ (10,908)</b>	<b>\$ (45,751)</b>	<b>\$ (39,925)</b>

**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**17. Post Employment Benefits (continued)**

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>2019</b>		<b>2018</b>	
<b>Benefit expenses</b>						
Current service cost	\$ 3,268	\$ 872	\$ 4,140	\$	\$ 4,310	\$
Interest costs	1,222	381	1,603	(7)	1,351	512
Amortization of actuarial gains	43	(50)	(7)		512	
<b>Total expense</b>	<b>\$ 4,533</b>	<b>\$ 1,203</b>	<b>\$ 5,736</b>	<b>\$</b>	<b>\$ 6,173</b>	<b>\$</b>

The discount rate used in the 2019 fiscal year to determine the accrued benefit obligation was an average of 3.2% (2018 - 3.8%). The expected payments during the next ten fiscal years are:

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>Total</b>	
	\$	\$	\$	
2020	2,730	1,094	3,824	
2021	2,819	994	3,813	
2022	2,965	803	3,768	
2023	3,013	664	3,677	
2024	3,070	654	3,724	
2025+	13,940	3,713	17,653	
	<b>\$ 28,537</b>	<b>\$ 7,922</b>	<b>\$ 36,459</b>	

**18. Trust Assets Under Administration**

The Education Authority does not have trust assets under administration.

**19. Tangible Capital Assets**

The Education Authority does not have tangible capital assets.

**20. Prepaid Expenses**

	<b>2019</b>	<b>2018</b>
Vehicle licenses and insurance	\$ 3,776	\$ 4,296

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**21. GNWT Tangible Capital Assets Provided At No Cost**

	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Buildings	\$ 9,066,125	\$ 2,153,204	\$ 6,912,921	\$ 7,366,227

Rent expense of \$226,653 (2018 - \$226,653) equal to current year amortization of the tangible capital assets was offset by a grant in-kind.

**22. Contractual Obligations**

The Education Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2019

	Expires in Fiscal Year	2019
Equipment lease	2019	\$ 6,792
Contract for superintendent services	2019	30,000
		<b>\$ 36,792</b>

**23. Contingencies**

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

**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**24. Related Parties**

The Education Authority is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Education Authority enters into transactions with these entities in the normal course of business. The Education Authority 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 summarized in this note.

	2019	2018
<b>Due to related parties</b>		
Payroll liabilities		
Yellowknife Education District #1	\$ 429,132	\$ 416,876

	Accounts receivable 2019	Allowance 2019	Net 2019	Net 2018
<b>Due from related parties</b>				
Government of the Northwest Territories				
Health and Social Services	475	-	\$ 475	\$ 500

	2019	2018
<b>Revenue from related parties</b>		
Government of the Northwest Territories		
Department of Education, Culture and Employment	\$ 2,442,179	\$ 2,456,927
Department of Environment and Natural Resources	8,000	8,000
Department of Municipal and Community Affairs	26,400	16,800
Health and Social Services	6,775	3,766
<b>Total revenues from related parties</b>	<b>\$ 2,483,354</b>	<b>\$ 2,485,493</b>

	2019	2018
<b>Expenses paid to related parties</b>		
Aurora College	\$ 500	\$ 200
E'cole JH Sissons School	500	285
E'cole Sir John Franklin High School	400	250
Diamond Jenness Secondary School	1,090	-
Government of the Northwest Territories	608	-
Mildred Hall School	530	-
Paul William Kaeser High School	1,650	-
Yellowknife Education District #1	1,547,919	1,729,113
<b>Total expenses to related parties</b>	<b>\$ 1,548,419</b>	<b>\$ 1,729,313</b>

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**25. 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 Education Authority.

The budget figures presented are those approved by the Trustees of the Education Authority on June 20, 2018 and have not been audited.

**26. Economic Dependence**

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

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**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**27. Financial Instruments**

The Education Authority is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the Education Authority's financial instruments is provided by type of risk below. The Education Authority is exposed to credit and liquidity risks from the its financial instruments. Qualitative and quantitative analysis of the significant risks from the Education 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 Education Authority if a debtor fails to make payments of interest and principal when due. The Education Authority is exposed to this risk relating to its cash and accounts receivable.

The Authority holds its cash in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

The Education Authority's maximum exposure to credit risk is as follows:

	<b>2019</b>
Cash and cash equivalents	1,579,957
Portfolio investments	76,883
Due from Government of Canada	18,225
Accounts receivable	3,216
Maximum credit risk exposure	<u><u>1,678,281</u></u>

At March 31, 2019, there were no accounts receivable past due and no impaired accounts receivable.

The Education Authority does have concentration of credit risk. Concentration of credit risk is the risk that a customer has more than 10 percent of the total accounts receivable and thus there is a higher risk to the Education Authority in the event of a default. At March 31, 2019 receivables from two (2018 - one) customers comprised 100% (2018 - 100%) of the total accounts receivable. The Education Authority reduces this risk by monitoring overdue accounts.

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

**K'alemi Dene School**  
**(Ndilo District Education Authority)**

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**27. Financial Instruments (continued)**

**b) Liquidity risk**

Liquidity risk is the risk that the Education Authority will not be able to meet all cash outflow obligations as they come due. The Education Authority has liquidity risk in accounts payable and accrued liabilities and payroll liabilities of \$651,446 (2018 - \$540,328).

The Education 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 table below shows when various financial assets and liabilities mature:

<b>Financial assets</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	\$ 1,579,957	\$ -	\$ -	\$ -
Portfolio investments	76,883	-	-	-
Due from the government of Canada	18,225	-	-	-
Accounts receivable	3,216	-	-	-
<b>Total assets</b>	<b>\$ 1,678,281</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total assets - prior year	\$ 1,387,766	\$ -	\$ -	\$ -
<b>Financial liabilities</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	\$ 46,091	\$ -	\$ -	\$ -
Payroll liabilities	445,389	-	-	-
Leave and termination benefits	45,751	-	-	-
<b>Total liabilities</b>	<b>\$ 537,231</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total liabilities - prior year	\$ 540,328	\$ -	\$ -	\$ -
<b>Net total</b>	<b>\$ 1,141,050</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net total - prior year	\$ 847,438	\$ -	\$ -	\$ -

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

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**27. Financial Instruments (continued)**

**c) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Education Authority has exposure to interest rate risk on its portfolio investments of \$76,883 (2018 - \$76,500). These investments may be adversely affected by a change in the interest rates.

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

**28. Expenditures by Object**

	Budget 2019 (Unaudited)	Actual 2019	Actual 2018
Compensation	\$ 2,506,517	\$ 2,030,485	\$ 1,951,313
Materials and freight	133,000	320,532	205,958
Services purchased/contracted	210,179	353,144	263,144
	<b>\$ 2,849,696</b>	<b>\$ 2,704,161</b>	<b>\$ 2,420,415</b>

**29. Subsequent Events**

There were no material subsequent events that occurred between June 30, 2019 and the date the audit report was signed.

**30. Comparative Figures**

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

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**K'alemi Dene School**  
(Ndilo District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**31. ECE Other Contributions**

	<b>2019</b>	2018
<b>Government of the Northwest Territories, Department of Education, Culture and Employment</b>		
Self Regulation	\$ 2,000	\$ -
Community Support	-	13,000
Labour Market Agreement for Persons with Disabilities	-	4,000
Other	-	1,864
	<b>\$ 2,000</b>	<b>\$ 18,864</b>

**32. GNWT Other Contributions**

	<b>2019</b>	2018
<b>Department of Municipal and Community Affairs</b>		
After School Activity Program	\$ 16,400	\$ 16,800
Youth Corp Program	10,000	-
<b>Department of Environment and Natural Resources</b>		
Take a Kid Trapping Program	8,000	8,000
<b>Department of Health and Social Services</b>		
Drop the Pop Program	2,630	1,616
Spring on the Land Camp	-	2,150
Health and Wellness	6,145	-
	<b>\$ 43,175</b>	<b>\$ 28,566</b>

**33. Contingent Assets**

The Education Authority does not have any contingent assets.

**34. Contractual Rights**

The Education Authority has not entered into any contracts that will become assets and revenues in future periods.

Consolidated Financial Statements of

**Sahtu Divisional Education Council**

June 30, 2019

# Sahtu Divisional Education Council

## Consolidated Financial Statements

June 30, 2019

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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 30<sup>th</sup> 2019. 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

Heather Bourassa – Fort Good Hope

Jennifer Waterhouse – Norman Wells

Isabel Orlias – Colville Lake

Miranda Baton-Taneton – Deline

Sally-Ann Horassi - Tulita

The management team of the SDEC comprised of the following;

Superintendent – Seamus Quigg

Assistant Superintendent – Renee Closs

Comptroller – Harry Cassie

### Financial Condition

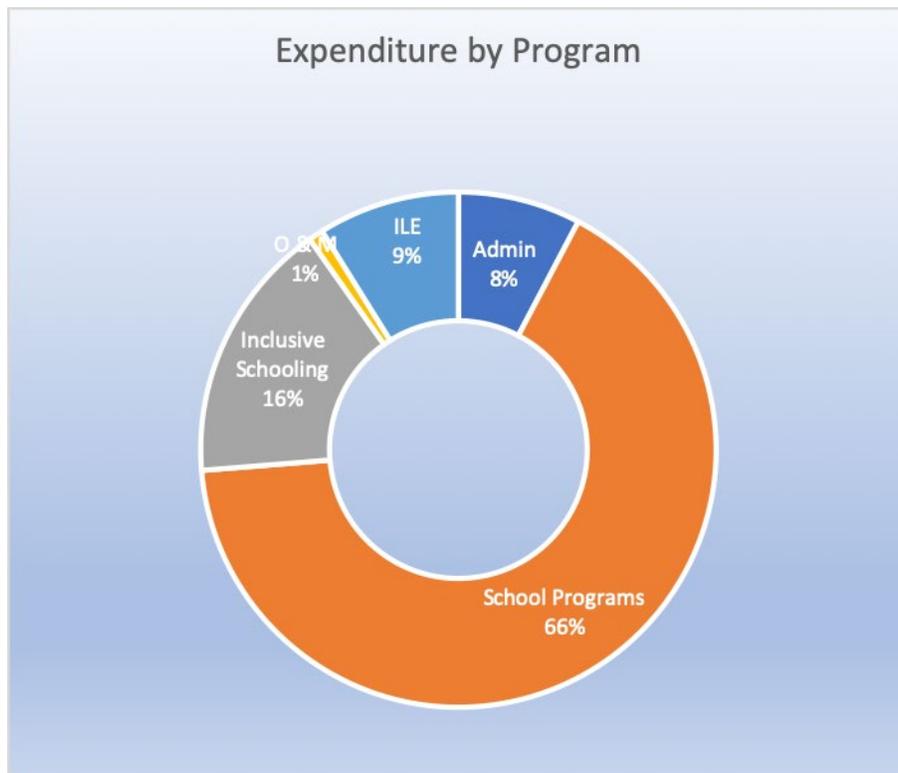
Revenues exceeded expenditures for a surplus of (\$361k), (2018-(\$256k)), compared to budgeted deficit of (\$12k). This resulted in a surplus fund balance \$266k (2018, (\$95k)) as at June 30th 2019. Additional revenues of \$832k (2018-\$831k) was received resulted in additional expenses incurred compared to budget.

Revenues have been trending positively compared to budget as a result of new initiatives, this is consistent year over year.

#### Accumulated surplus (deficit) is comprised of the following:

	2019	2018
Accumulated Surplus/ (Deficit), beginning of year	(95,014)	(351,141)
Operating Surplus / (Deficit)	266,262	167,699
Post - employment benefits	105,102	88,428
<b>Accumulated Surplus/ Deficit, end of year</b>	<b>\$ 266,350</b>	<b>\$ (95,014)</b>

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 30<sup>th</sup> 2019 is 1.5, (2018, 0.97).



## Summary and Outlook

The SDEC's vision for education has been to provide excellence in teaching and learning within contexts that honour the culture and language of the community. Caring schools allow all students to achieve success, as defined by individual students' dreams, aspirations and abilities. Learning continues beyond secondary school and students are equipped to meet the demands of changing times by having the skills of life-long learners.

In 2018-2019, *Growing Forward Together* captures the Sahtu schools' leadership goal to collaborate widely to find innovative solutions to historical challenges in education, while moving forward jointly with community leadership's vision for its children and what the community aspires to become. With the new school year, 2019-2020 underway, the Sahtu DEC looks move from visioning to implementation, a series of strategic planning meetings are scheduled for each community in coming months to determine community-specific next steps.

### Priorities

*Reading and Writing:* School-based and standardized assessments are in place to determine where interventions and enrichment are needed, and to maintain fidelity to curriculum standards. Comprehensive Literacy (Balanced Literacy) is offered in all five schools, along with Levelled Literacy Intervention to assist struggling readers. This approach recognizes the diversity of learners within our grade 1-9 classrooms and is a rigorous sustainable way of addressing learning gaps and promoting growth. Writing is monitored with region-wide rubrics, with writing samples captures three times in the year (grades 1-12) to trace learning growth. This action plan aligns with community expectations that reading and writing are fundamental to learning and all students should reach the optimal growth they can in these skills.

*Numeracy:* Numeracy learning in grades 1-8 is monitored through curriculum-aligned formative assessments. Teachers are receiving on-going professional development to integrate these assessments into daily practice, along with 21<sup>st</sup> Century approaches to teaching mathematical thinking and numeracy competencies.

*Language, Culture and Identity:* 2018/19 saw the five schools transition to the Our Languages Curriculum (OLC). Indigenous Language Educators participated in training in Yellowknife and in their home communities, and whole school staffs in four out of five schools received training in whole school approaches to language revitalization. Locally developed courses at the grade 10-12 levels promote culture, language, land programs, and the formation of northern identity in high school students. Land and culture programs invite participation by Elders, land experts, and cultural leaders in our communities. School community connections are strengthened by these programs.

## Total Student/Teacher Population by Schools

<b>2019</b>	<b>Students</b>	<b>Teachers</b>
Mackenzie Mountain – Norman Wells	166.5	13.0
Chief Albert Wright - Tulita	78.5	9.0
Chief T'Selehye – Fort Good Hope	129.0	12.0
Ehtseo Ayha – Deline	105.5	10.0
Coville Lake – Colville Lake	57.5	5.5
<b>Totals</b>	<b>537.0</b>	<b>49.5</b>

## MANAGEMENT'S 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.

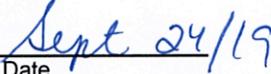
Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that 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.

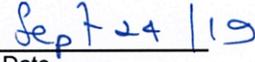
The auditors annually provide an independent, objective audit for the purpose of expressing an opinion on the financial statements in accordance with Canadian generally accepted auditing standards. The auditors also consider whether the transactions that have come to their notice in the course of this 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  
Superintendent  
Sahtu Divisional Education Council

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Harry Cassie, CPA, CGA, CFE, CMgr FCMI, BBA (Hons.)  
Comptroller  
Sahtu Divisional Education Council

  
\_\_\_\_\_  
Date

## INDEPENDENT AUDITOR'S REPORT

**To the Minister of Education, Culture and Employment of the GNWT  
To the Board of Trustees of the Sahtu Divisional Education Council**

### *Opinion*

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, 2019, 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.

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, 2019, and the results of its financial performance and cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

### *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.

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Education Body's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Education Body or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Education Body's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

## Independent Auditor's Report (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Education Body's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Education Body's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Education Body to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### *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 25, 2019

# Sahtu Divisional Education Council

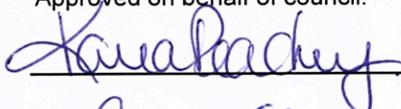
## Consolidated Statement of Financial Position

June 30, 2019

	2019	2018
<b>FINANCIAL ASSETS</b>		
Cash, Note 4	\$ 3,260,052	\$ 2,610,687
Special purpose funds, Note 5	359,201	399,280
Accounts receivable, Note 8	1,266,598	579,858
	<b>\$ 4,885,851</b>	<b>\$ 3,589,825</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities, Note 10	\$ 203,003	\$ 267,292
Payroll liabilities, Note 10	2,016,816	1,517,270
Deferred revenue, Note 11	1,030,996	399,280
Other employee future benefits and compensated absences, Note 17	1,415,255	1,520,357
	<b>4,666,070</b>	<b>3,704,199</b>
Net Financial Assets (Deficit)	<b>\$ 219,781</b>	<b>\$ (114,374)</b>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses, Note 20	\$ 46,569	\$ 19,360
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<b>\$ 266,350</b>	<b>\$ (95,014)</b>

Contractual obligations, Note 22

Approved on behalf of council:

 \_\_\_\_\_ Chair

 \_\_\_\_\_ Superintendent

# Sahtu Divisional Education Council

## Consolidated Statement of Operations and Surplus

For the year ended June 30, 2019

	Budget 2019	Actual 2019	Actual 2018
<b>Revenue</b>			
Government of the Northwest Territories			
ECE Regular Contributions	\$ 14,354,597	\$ 14,503,310	\$ 14,317,648
Teaching and Learning Centres	55,000	120,000	307,000
French Language Instruction	55,000	55,000	55,000
ECE Other Contributions, Note 31	-	138,427	53,077
<b>Total ECE</b>	<b>14,464,597</b>	<b>14,816,737</b>	<b>14,732,725</b>
GNWT Other Contributions, Note 32	-	349,846	377,575
<b>Total GNWT</b>	<b>\$ 14,464,597</b>	<b>\$ 15,166,583</b>	<b>\$ 15,110,300</b>
Jordan's Principle	-	96,483	-
<b>Total Government of Canada</b>	<b>-</b>	<b>96,483</b>	<b>-</b>
Education council generated funds			
Interest income	30,000	70,587	51,186
Other	12,000	205,853	151,211
	42,000	276,440	202,397
	<b>14,506,597</b>	<b>15,539,506</b>	<b>15,312,697</b>
<b>Expenses</b>			
Administration	962,853	1,177,310	1,057,308
School programs	9,476,933	10,088,184	10,331,123
Inclusive schooling	2,517,234	2,521,949	2,053,991
Operations and maintenance	148,952	139,973	140,359
Aboriginal languages	1,412,322	1,355,828	1,562,217
	<b>14,518,294</b>	<b>15,283,244</b>	<b>15,144,998</b>
<b>Operating Surplus (Deficit) before other item</b>	<b>\$ (11,697)</b>	<b>\$ 256,262</b>	<b>\$ 167,699</b>
Other item:			
Other employee future benefits and compensated absences, Note 17	-	105,102	88,428
	<b>\$ (11,697)</b>	<b>\$ 361,364</b>	<b>\$ 256,127</b>
<b>Accumulated surplus (Deficit), beginning of year</b>		<b>\$ (95,014)</b>	<b>\$ (351,141)</b>
<b>Accumulated surplus (deficit), end of year</b>		<b>\$ 266,350</b>	<b>\$ (95,014)</b>

## Sahtu Divisional Education Council

### Consolidated Statement of Changes in Net Assets (Debt)

For the year ended June 30, 2019

	2019	2018
Annual surplus (deficit)	\$ 361,364	\$ 256,127
Change in prepaid expenses	(27,209)	7,453
Increase (decrease) in net financial resources	334,155	263,580
Net financial resources, beginning of year	(114,374)	(377,954)
Net financial resources, end of year	\$ 219,781	\$ (114,374)

# Sahtu Divisional Education Council

## Consolidated Statement of Cash Flow

For the year ended June 30, 2019

	2019	2018
<b>Cash provided by (used in):</b>		
<b>Operating Transactions</b>		
Operating Surplus (Deficit)	\$ 361,364	\$ 256,127
	361,364	256,127
Change in non-cash assets and liabilities:		
Accounts receivable	(686,740)	(32,229)
Accounts payable and accrued liabilities	(64,289)	115,671
Payroll liabilities	499,546	(31,658)
Deferred revenue	631,716	115,236
Post-employment benefits	(105,102)	(88,428)
Prepaid expenses	(27,209)	7,453
	247,922	86,045
Increase (Decrease) in cash and cash equivalents	609,286	342,172
Cash and cash equivalents, beginning of year	3,009,967	2,667,795
Cash and cash equivalents, end of year	\$ 3,619,253	\$ 3,009,967
Consists of:		
Cash	\$ 3,260,052	\$ 2,610,687
Special purpose funds	359,201	399,280
	\$ 3,619,253	\$ 3,009,967

## Sahtu Divisional Education Council

Consolidated Detail of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accom.	Operations & Maintenance	Administration	Aboriginal Languages	2019 Total	2019 Budget	2018 Total
<b>Salaries</b>									
Teachers' salaries	\$ 6,840,834	\$ 1,128,547	\$ -	\$ -	\$ -	\$ 1,181,103	\$ 9,150,484	\$ 9,183,313	\$ 9,128,545
Instruction assistants	6,562	873,987	-	-	-	57,366	937,915	1,021,658	895,719
Non-instructional staff	1,141,584	264,700	-	-	733,618	-	2,139,902	1,969,299	2,145,070
Board/Trustee honorarium	-	-	-	-	44,405	40,861	85,266	76,000	80,703
	7,988,980	2,267,234	-	-	778,023	1,279,330	12,313,567	12,250,270	12,250,037
<b>Employee Benefits</b>									
Employee benefits and allowances	7,298	-	-	-	-	-	7,298	69,000	21,668
Leave and termination benefits	436,608	-	-	-	-	-	436,608	479,000	388,227
	443,906	-	-	-	-	-	443,906	548,000	409,895
<b>Services Purchased/Contracted</b>									
Professional services	519,224	22,089	-	-	-	-	541,313	534,872	567,150
Postage and communication	40,167	-	-	-	34,882	-	75,049	36,000	78,384
<b>Utilities</b>									
Heating	-	-	-	-	-	-	-	-	6,729
Electricity	-	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-	-
Travel	140,657	74,775	-	-	64,363	21,103	300,898	235,000	302,322
Student transportation (busing)	150,536	-	-	-	-	-	150,536	175,000	194,500
Advertising/printing/publishing	629	-	-	-	-	-	629	2,000	3,437
Maintenance and repair	36,548	-	-	4,200	-	-	40,748	7,200	24,942
Rentals and leases	-	-	-	135,773	-	-	135,773	141,752	144,254
Other contracted services	41,960	-	-	-	50,456	28,613	121,029	51,500	180,401
Other	27,141	12,099	-	-	117,815	-	157,055	119,500	131,335
	956,862	108,963	-	139,973	267,516	49,716	1,523,030	1,302,824	1,633,454
<b>Materials, Supplies and Freight</b>									
Materials	657,079	142,476	-	-	130,080	26,444	956,079	275,700	801,205
Freight	41,357	3,276	-	-	1,691	338	46,662	15,500	50,407
	698,436	145,752	-	-	131,771	26,782	1,002,741	291,200	851,612
<b>Contributions/Transfers</b>									
Transfers	-	-	-	-	-	-	-	126,000	-
<b>Debt Services</b>									
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 10,088,184</b>	<b>\$ 2,521,949</b>	<b>\$ -</b>	<b>\$ 139,973</b>	<b>\$ 1,177,310</b>	<b>\$ 1,355,828</b>	<b>\$ 15,283,244</b>	<b>\$ 14,518,294</b>	<b>\$ 15,144,998</b>

**SAHTU DIVISIONAL EDUCATION COUNCIL**

Aboriginal Language and Cultural-based Education Expenses

For the year ended June 30, 2019

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	2019 Total
<b>Salaries</b>					
ALCBE teachers	\$ 1,181,103	\$ -	\$ -	\$ -	\$ 1,181,103
Language consultants	-	-	-	-	-
Instruction assistants	57,366	-	-	-	57,366
Non-instructional staff	-	-	-	-	-
Honoraria	-	-	-	-	-
Elders in schools	-	-	-	40,861	40,861
	1,238,469	-	-	40,861	1,279,330
<b>Employee Benefits</b>					
Employee benefits and allowances	-	-	-	-	-
<b>Services Purchased/Contracted</b>					
Professional services	-	-	-	-	-
Postage and communication	-	-	-	-	-
Travel	21,103	-	-	-	21,103
Student transportation (busing)	-	-	-	-	-
Advertising, printing and publishing	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	28,613	-	-	-	28,613
	49,716	-	-	-	49,716
<b>Materials, Supplies and Freight</b>					
Materials	26,444	-	-	-	26,444
Freight	338	-	-	-	338
	26,782	-	-	-	26,782
<b>Total</b>	\$ 1,314,967	\$ -	\$ -	\$ 40,861	\$ 1,355,828

# Sahtu Divisional Education Council

Aboriginal Languages

For the year ended June 30, 2019

	July 1 to March 31	April 1 to June 30	Total
<b>Contribution Agreement</b>			
<b>Aboriginal Languages</b>			
Revenues			
Funding Received	\$ 120,000	\$ -	\$ 120,000
	120,000	-	120,000
Expenditure			
Salaries	116,377	52,590	168,967
Other O & M	-	-	-
	116,377	52,590	168,967
Net Surplus (Deficit)	\$ 3,623	\$ (52,590)	\$ (48,967)

# Sahtu Divisional Education Council

## Inclusive Schooling Expenses

For the year ended June 30, 2019

	General Inclusive Schooling	Staff Development	Assistive Technology	Magnet Facilities	Total
<b>Salaries</b>					
Program Support Teachers	\$ 1,128,547	\$ -	\$ -	\$ -	\$ 1,128,547
Support Assistants	873,987	-	-	-	873,987
Regional Coordinator	264,700	-	-	-	264,700
	<u>2,267,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,267,234</u>
<b>Employee Benefits</b>					
Employee benefits and allowances	-	-	-	-	-
<b>Services Purchased/Contracted</b>					
Professional/Technical Services	22,089	-	-	-	22,089
Travel	74,775	-	-	-	74,775
Student Transportation (Busing)	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-
Rentals/Leases	-	-	-	-	-
Other contracted services	-	12,099	-	-	12,099
	<u>96,864</u>	<u>12,099</u>	<u>-</u>	<u>-</u>	<u>108,963</u>
<b>Materials, Supplies and Freight</b>					
Materials	142,476	-	-	-	142,476
Freight	3,276	-	-	-	3,276
	<u>145,752</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,752</u>
<b>Total</b>	<b>\$ 2,509,850</b>	<b>\$ 12,099</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,521,949</b>

# Sahtu Divisional Education Council

French Language Programs

For the year ended June 30, 2019

	ECE Contributions July 1 to June 30	Commitment from Sahtu July 1 to June 30	Expenses July 1 to June 30
<b>Special projects:</b>			
Core French Instruction	\$ 55,000	\$ 131,420	\$ 131,420

# Sahtu Divisional Education Council

Jordan's Principal

For the year ended June 30, 2019

	June 30, 2019 Budget	June 30, 2019 Actual	June 30, 2018 Actual
Revenue			
Government of Canada	\$ -	\$ -	\$ -
First Nations and Inuit Health Branch	768,277	768,277	-
Carry Forward from Previous Year	-	-	-
<b>Total Revenue</b>	<b>768,277</b>	<b>768,277</b>	<b>-</b>
Expenses			
Administration	-	-	-
Personnel	85,000	75,507	-
Transportation	59,250	5,611	-
Materials and Supplies	126,420	5,853	-
Rent and Utilities	-	-	-
Evaluation	-	9,512	-
Other	497,607	-	-
<b>Total Expenses</b>	<b>768,277</b>	<b>96,483</b>	<b>-</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ 671,794</b>	<b>\$ -</b>
Deferred revenue	-	671,795	

**Sahtu Divisional Education Council**

Northern Distance Learning

For the year ended June 30, 2019

	Budget	Tulita	Fort Good Hope	Deline	Total	July 1 to March 31	April 1 to June 30	Total
<b>Revenue</b>								
Education, Culture and Employment	\$ 60,670	\$ 21,027	\$ 20,947	\$ 18,696	\$ 60,670	\$ 60,670	\$ -	\$ 60,670
Other	-	-	-	-	-	-	-	-
	60,670	21,027	20,947	18,696	60,670	60,670	-	60,670
<b>Expenses</b>								
<b>Salaries/Wages</b>								
Instructional Staff	-	-	-	-	-	-	-	-
<i>Teachers</i>	-	-	-	-	-	-	-	-
<i>On-site support person</i>	60,670	-	-	-	-	-	-	-
Non-Instructional Staff	-	-	-	-	-	-	-	-
<i>Moodle (Online strategy)</i>	-	-	-	-	-	-	-	-
<i>DL Coordinator</i>	-	-	-	-	-	-	-	-
<i>PD - online learning field</i>	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>								
Network	-	2,099	-	8,657	10,756	10,756	-	10,756
Travel	-	-	-	-	-	-	-	-
<i>Coordinator travel</i>	-	-	-	-	-	-	-	-
Professional Development	-	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-
<i>In-service release</i>	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<i>IT support</i>	-	-	-	-	-	-	-	-
<b>Materials, Supplies and Freight</b>								
Computer Equipment	-	-	-	-	-	-	-	-
<i>Document cameras</i>	-	-	-	-	-	-	-	-
<i>Phone</i>	-	-	-	-	-	-	-	-
<i>Laptop</i>	-	-	-	-	-	-	-	-
<i>Video (Monopad)</i>	-	-	-	-	-	-	-	-
<i>Wireless adapters and splitter</i>	-	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total expenses</b>	60,670	2,099	-	8,657	10,756	10,756	-	10,756
<b>Net surplus/(deficit)</b>	\$ -	\$ 18,928	\$ 20,947	\$ 10,039	\$ 49,914	\$ 49,914	\$ -	\$ 49,914

# Sahtu Divisional Education Council

## Student Success Initiative Projects

For the year ended June 30, 2019

	School Year
Revenue	
Education, Culture and Employment	\$ 55,000
NWTTA	42,000
<b>Total Revenue</b>	<b>97,000</b>
Expenses	
Salaries and wages	
Facilitator fees (including per diems)	50,115
Substitute teacher wages	-
Staff (p/y)	-
Travel	
Facilitator travel	20,586
Air charter	-
Staff travel	7,676
Accommodations	5,735
Daily per diems	1,650
Workshop expenses	
Room rental	-
Refreshments	895
Resources	8,367
Miscellaneous (stationary/printing)	-
<b>Total Expenses</b>	<b>95,024</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 1,976</b>

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## **(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 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## 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 and Adoption of New Accounting Standards

### Future Accounting Changes

#### *Revenues - Section PS 3400*

PSAB has approved Section PS 3400, Revenues. This Section establishes standards on how to account for and report on revenue. This Section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted. This Section may be applied retroactively or prospectively. 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, 2018. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

#### *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.

#### *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.

### Adoption of New Accounting Standards

Effective April 1, 2018, the new standard from the PSA Handbook Section PS 3430 – restructuring transactions was adopted. There is no significant impact on the consolidated financial statements as a result of adopting the new standards.

# Sahtu Divisional Education Council

## Consolidated Statement of Operations and Surplus

For the year ended June 30, 2019

### Note 4. Cash and Cash Equivalents

	2019		2018	
Cash	\$	3,260,052	\$	2,610,687
Short term investments		-		-
	\$	3,260,052	\$	2,610,687

### 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. Additionally, the SDEC administers funding for the Community Justice Committee.

	2019		2018	
Colville Lake	\$	8,000	\$	8,000
Deline		69,661		97,801
Fort Good Hope		113,549		67,522
Norman Wells		53,272		108,328
Tulita		64,815		75,069
SDEC (CJC)		49,904		42,560
	\$	359,201	\$	399,280

### Note 6. Restricted Assets - Not Applicable

### Note 7. Portfolio Investments - Not Applicable

### Note 8. Accounts Receivable

	Receivables 2019		AFDA 2019		Net 2019		Net 2018	
GNWT - ECE	\$	217,525	\$	-	\$	217,525	\$	273,313
GNWT - HSS		925		-		925		30,141
GNWT - MACA		148,050		-		148,050		137,852
GNWT - Justice		30,000		-		30,000		28,000
GNWT - ENR		-		-		-		-
Total Due from GNWT		396,500		-		396,500		469,306
WSCC		-		-		-		-
Other		982,762		112,664		870,098		110,552
	\$	1,379,262	\$	112,664	\$	1,266,598	\$	579,858

### Note 9. Inventories - Not Applicable

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

## Note 10. Accounts Payable and Accrued Liabilities

	2019	2018
Accounts payable and accrued liabilities		
GNWT	\$ 297	\$ 35,719
WSCC	-	-
Trade payables	202,706	231,573
	203,003	267,292
Payroll liabilities		
To GNWT (A)	931,364	531,562
To Employees (B)	989,820	910,798
Annual Leave	86,172	63,714
Lieu	6,420	11,196
Other	3,040	-
	2,016,816	1,517,270
	\$ 2,219,819	\$ 1,784,562

Note A: Amount outstanding to be paid to GNWT by the education board for salaries and wages paid by June 30.

Note B: Amount accrued by the education board for salaries and wages to be paid in July and August.

## Note 11. Deferred Revenue

	2019	2018
MACA		
Active After School	\$ 71,000	\$ 66,500
Youth Contribution	37,995	28,977
Regional Youth Sports	39,250	42,375
Encounters	4,000	-
Justice		
Community Justice	49,904	42,560
ITI		
Seed	-	-
ECE		
Northern Distance Learning	49,915	82,340
Library	107,137	107,128
HSS		
Nutrition North	-	29,400
Government of Canada		
Jordan's Principle	671,795	-
	\$ 1,030,996	\$ 399,280

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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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. **Other employee future benefits and compensated absences**

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.

## **Valuation results**

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2018 and the results extrapolated to June 30, 2019. The values presented below are for all of the benefits under the Compensated Absences and Terminations Benefits for the consolidated Government.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

## Note 17. Other employee future benefits and compensated absences (continued)

	Severance and removal	Compensated Absences	2019	2018
<b>Changes in Obligation</b>				
Accrued benefit obligations beginning of the year	\$ 657,890	\$ 123,192	\$ 781,082	\$ 880,345
Current period benefit cost	52,620	16,425	69,045	70,775
Interest accrued	24,746	4,920	29,666	28,497
Benefits payments	(54,702)	(39,307)	(94,009)	(91,300)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	126,021	42,054	168,075	(107,235)
Accrued benefit obligation end of year	806,575	147,284	953,859	781,082
Unamortized net actuarial gain	431,025	30,371	461,396	739,275
Net future obligation	1,237,600	177,655	1,415,255	1,520,357
<b>Benefits Expense</b>				
Current period benefit cost	52,620	16,425	69,045	70,775
Interest accrued	24,746	4,920	29,666	28,497
Plan amendments	-	-	-	-
Amortization of actuarial gains	(95,473)	(14,331)	(109,804)	(96,400)
	(18,107)	7,014	(11,093)	2,872

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
2020	\$ 138,555	\$ 21,729	\$ 160,284
2021	107,876	18,545	126,421
2022	83,301	15,626	98,927
2023	64,606	13,156	77,762
2024	56,737	11,904	68,641
	\$ 451,075	\$ 80,960	\$ 532,035

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

Note 18. **Trust Assets and Liabilities under Administration - Not Applicable**

Note 19. **Tangible Capital Asset - Not Applicable**

Note 20. **Prepaid Expenses**

	2019	2018
Prepaid expenses	\$ 46,569	\$ 19,360

Note 21. **GNWT Assets Provided at No Cost**

	Cost	Accumulated Amortization	Net Book Value	
			2019	2018
Buildings				
Schools and colleges	\$ 66,333,683	\$ 22,941,121	\$ 43,392,562	\$ 45,001,718
Staff Housing	275,800	113,299	162,501	174,843
	\$ 66,609,483	\$ 23,054,420	\$ 43,555,063	\$ 45,176,561

Note 22. **Contractual Obligations**

The Education Body has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2019.

	Expires in Fiscal Year *	2020	2021 and thereafter	Total
Commercial and residential leases	2023	\$ 235,483	\$ 708,020	\$ 943,503

\* 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 may 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

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## Note 23. **Contingencies - Not applicable**

## Note 24. **Related Parties and Inter-Entity Transactions**

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 25. **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 5, 2018 and have not been audited.

## Note 26. **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 27. **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, 2019.

### 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.

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

## Note 27. 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 28. Expenses by Object

	2019 Budget	2019 Actual	2018 Actual
Salaries	\$ 12,250,270	\$ 12,313,567	\$ 12,250,037
Employee Benefits	548,000	443,906	409,895
Services Purchased/Contracted	1,302,824	1,523,030	1,633,454
Materials, Supplies and Freight	417,200	1,002,741	851,612
Debt Services	-	-	-
	\$ 14,518,294	\$ 15,283,244	\$ 15,144,998

## Note 29. Subsequent Events - Not Applicable

## Note 30. Comparative Figures

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

## Note 31. Other ECE Revenue

	2019	2018
Library	\$ 140,000	\$ 140,000
Health and wellness	11,660	-
Youth with disabilities	12,500	-
Self regulation	7,000	4,000
Distance learning	60,670	73,185
LMAPD	-	24,000
Less: Deferred revenue & contributions repaid	(93,403)	(188,108)
	\$ 138,427	\$ 53,077

# Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2019

## Note 32. GNWT - Other Contributions

	2019	2018
MACA		
Active After School	\$ 98,950	\$ 66,500
Youth Contribution	17,450	56,670
Regional Youth Sports	39,250	49,075
On the land	7,200	4,442
Youth Corps Rainbow United GSA	38,050	-
Keepers of the land	22,500	-
Kelly lake	5,000	-
Model Rocket	1,135	-
TAKT	19,450	-
Volunteer	-	2,000
Puppeteer	-	5,000
Youth Heritage	-	4,227
HSS		
Drop The Pop	8,850	8,500
Nutrition North	-	28,000
ITI		
Growing Resistance: Northern Agriculture Program	48,050	-
Justice		
Community Justice	56,000	56,000
Other		
On the land	-	26,000
Less: Deferred revenue & contributions repaid	(12,039)	71,161
	\$ 349,846	\$ 377,575

Note 33. **Contingent Assets - Not Applicable**

Note 34. **Contractual Rights - Not Applicable**

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, 2019

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Revenue			
Government of the Northwest Territories	\$ 14,464,597	\$ 15,166,583	\$ 15,110,300
Other education body generated funds	42,000	276,440	202,397
	<u>14,506,597</u>	<u>15,443,023</u>	<u>15,312,697</u>
Expenditure			
Administration	962,853	1,012,430	960,194
School programs	9,476,933	9,681,725	9,904,708
Inclusive schooling	2,517,234	2,521,949	2,053,991
Operations and maintenance	148,952	139,973	140,359
Aboriginal languages	1,412,322	1,355,828	1,539,021
	<u>14,518,294</u>	<u>14,711,905</u>	<u>14,598,273</u>
Excess (Deficiency) of Revenue over Expenditure	\$ (11,697)	\$ 731,118	\$ 714,424
Accumulated surplus (deficit), beginning of year		3,067,655	2,353,231
Accumulated surplus (deficit), end of year		<u>\$ 3,798,773</u>	<u>\$ 3,067,655</u>

## SATHU DIVISIONAL EDUCATION COUNCIL

Schedule A-2 - Details of Council Expenses (Non-Consolidated)

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	2019 Total
<b>Salaries</b>								
Teachers' salaries	\$ 6,840,834	\$ 1,128,547	\$ -	\$ -	\$ -	\$ 1,181,103	\$ -	\$ 9,150,484
Instruction Assistant	6,562	873,987	-	-	-	57,366	-	937,915
Non Instructional Staff	1,028,908	264,700	-	-	688,746	-	-	1,982,354
Board/Trustee Honoraria	-	-	-	-	21,712	40,861	-	62,573
	7,876,304	2,267,234	-	-	710,458	1,279,330	-	12,133,326
<b>Employee Benefits</b>								
Employee benefits and allowances	7,298	-	-	-	-	-	-	7,298
Leave and termination benefits	436,608	-	-	-	-	-	-	436,608
	443,906	-	-	-	-	-	-	443,906
<b>Services Purchased/Contracted</b>								
Professional/Technical Services	519,224	22,089	-	-	-	-	-	541,313
Postage/Communication	40,167	-	-	-	34,882	-	-	75,049
Utilities	-	-	-	-	-	-	-	-
Heating	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-
Travel	117,653	74,775	-	-	64,363	21,103	-	277,894
Student Travel (busing)	150,536	-	-	-	-	-	-	150,536
Advertising/Printing/Publishing	629	-	-	-	-	-	-	629
Maintenance/Repair	36,548	-	-	4,200	-	-	-	40,748
Rentals/Leases	-	-	-	135,773	-	-	-	135,773
Other - Contracted Services	41,960	-	-	-	50,456	28,613	-	121,029
Other - Miscellaneous	27,141	12,099	-	-	23,166	-	-	62,406
	933,858	108,963	-	139,973	172,867	49,716	-	1,405,377
<b>Materials, Supplies and Freight</b>								
Materials	394,763	142,476	-	-	127,414	26,444	-	691,097
Freight	32,894	3,276	-	-	1,691	338	-	38,199
	427,657	145,752	-	-	129,105	26,782	-	729,296
<b>Contributions and Transfers</b>								
Transfers to DEAs	-	-	-	-	-	-	-	-
Transfers to Capital	-	-	-	-	-	-	-	-
<b>Amortization</b>								
	-	-	-	-	-	-	-	-
<b>Debt Services</b>								
	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 9,681,725</b>	<b>\$ 2,521,949</b>	<b>\$ -</b>	<b>\$ 139,973</b>	<b>\$ 1,012,430</b>	<b>\$ 1,355,828</b>	<b>\$ -</b>	<b>\$ 14,711,905</b>

# SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-1 District Education Authorities  
Statement of Operations - Non-Consolidated

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 109,000	126,000	126,000
GNWT	-	715,756	617,739
Other	-	-	-
Deferred Revenue	-	(262,867)	(120,164)
Contributions Repaid	(10,851)	(46,430)	(47,964)
	(10,851)	406,459	449,611
<b>Total revenue</b>	<b>98,149</b>	<b>532,459</b>	<b>575,611</b>
<b>Expenditure</b>			
Administration	57,500	164,880	97,114
School programs	61,109	406,459	426,415
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	23,196
	\$ 118,609	571,339	546,725
Surplus (Deficit)	(20,460)	(38,880)	28,886
Opening equity		79,450	50,564
Closing equity		\$ 40,570	\$ 79,450
<b>Composition of Ending Accumulated Surplus</b>			
Cash	\$	-	\$ -
Accounts receivable		40,570	79,450
Accounts payable		-	-
	\$	40,570	\$ 79,450

# SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-2 - Details of DEA Expenses

Non-Consolidated

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accom.	Operations and Maintenance	Council Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	112,676	-	-	-	44,872	-	157,548
Board/Trustee Honorarium	-	-	-	-	22,693	-	22,693
	112,676	-	-	-	67,565	-	180,241
<b>Employee Benefits</b>							
Employee Benefits and Allowances	-	-	-	-	-	-	-
Leave and Termination	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities							
Heating	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-
Travel	23,004	-	-	-	-	-	23,004
Student Transportation (busing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Fees	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	94,649	-	94,649
	23,004	-	-	-	94,649	-	117,653
<b>Materials/Supplies/Freight</b>							
Materials	262,316	-	-	-	2,666	-	264,982
Freight	8,463	-	-	-	-	-	8,463
	270,779	-	-	-	2,666	-	273,445
<b>Total</b>	<b>\$ 406,459</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 164,880</b>	<b>\$ -</b>	<b>571,339</b>

# COLVILLE LAKE

District Education Authority  
Statement of Operations

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ -	\$ 17,000	\$ 17,000
GNWT	-	29,261	18,125
Other	-	-	-
Deferred Revenue	12,671	(7,634)	15,700
Contributions Repaid	(12,671)	(366)	(11,956)
	-	38,261	38,869
<b>Expenses</b>			
Administration	-	27,077	13,638
School programs	-	21,261	21,869
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	-	48,338	35,507
Surplus (Deficit)	-	(10,077)	3,362
Opening equity		22,748	19,386
Closing equity	\$	12,671	\$ 22,748
<b>Composition of Closing Equity</b>			
Cash	\$	-	\$ -
Accounts Receivable		12,671	22,748
Accounts Payable		-	-
	\$	12,671	\$ 22,748

## COLVILLE LAKE

District Education Authority  
Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	5,704	-	5,704
	-	-	-	-	5,704	-	5,704
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	21,373	-	21,373
	-	-	-	-	21,373	-	21,373
<b>Materials/Supplies/Freight</b>							
Materials	19,392	-	-	-	-	-	19,392
Freight	1,869	-	-	-	-	-	1,869
	21,261	-	-	-	-	-	21,261
<b>Total</b>	<b>\$ 21,261</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,077</b>	<b>\$ -</b>	<b>48,338</b>

## DELINE

District Education Authority  
Statement of Operations

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 26,000	\$ 26,000	\$ 26,000
GNWT	-	143,610	118,769
Other	-	-	-
Deferred Revenue	4,717	(69,528)	(42,254)
Contributions Repaid	-	(134)	(13,760)
	<u>30,717</u>	<u>99,948</u>	<u>88,755</u>
<b>Expenses</b>			
Administration	18,000	30,995	18,229
School programs	17,609	73,949	55,929
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	6,826
	<u>35,609</u>	<u>104,944</u>	<u>80,984</u>
Surplus (Deficit)	(4,892)	(4,996)	7,771
Opening equity		9,713	1,942
Closing equity	\$	4,717	\$ 9,713
<b>Composition of Closing Equity</b>			
Cash	\$	-	\$ -
Accounts Receivable		4,717	9,713
Accounts Payable		-	-
	<u>\$</u>	<u>4,717</u>	<u>\$ 9,713</u>

## DELINE

District Education Authority  
Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	26,095	-	-	-	10,994	-	37,089
Board/Trustee Honoraria	-	-	-	-	5,069	-	5,069
	26,095	-	-	-	16,063	-	42,158
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	12,266	-	12,266
	-	-	-	-	12,266	-	12,266
<b>Materials/Supplies/Freight</b>							
Materials	44,713	-	-	-	2,666	-	47,379
Freight	3,141	-	-	-	-	-	3,141
	47,854	-	-	-	2,666	-	50,520
<b>Total</b>	\$ 73,949	\$ -	\$ -	\$ -	30,995	\$ -	104,944

# FORT GOOD HOPE

District Education Authority  
Statement of Operations

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 26,000	\$ 26,000	\$ 26,000
GNWT	-	259,211	193,628
Other	-	-	-
Deferred Revenue	8,663	(94,757)	(5,562)
Contributions Repaid	(8,863)	(18,791)	(1,055)
	25,800	171,663	213,011
<b>Expenses</b>			
Administration	13,000	25,793	24,196
School programs	13,000	145,663	179,011
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	8,000
	26,000	171,456	211,207
Surplus (Deficit)	(200)	207	1,804
Opening equity		8,663	6,859
Closing equity	\$	8,870	\$ 8,663
<b>Composition of Closing Equity</b>			
Cash	\$	-	\$ -
Accounts Receivable		8,870	8,663
Accounts Payable		-	-
	\$	8,870	\$ 8,663

## FORT GOOD HOPE

District Education Authority  
Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	40,204	-	-	-	11,630	-	51,834
Board/Trustee Honoraria	-	-	-	-	7,673	-	7,673
	40,204	-	-	-	19,303	-	59,507
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	21,690	-	-	-	-	-	21,690
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	6,490	-	6,490
	21,690	-	-	-	6,490	-	28,180
<b>Materials/Supplies/Freight</b>							
Materials	80,528	-	-	-	-	-	80,528
Freight	3,241	-	-	-	-	-	3,241
	83,769	-	-	-	-	-	83,769
<b>Total</b>	<b>\$ 145,663</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,793</b>	<b>\$ -</b>	<b>171,456</b>

# NORMAN WELLS

District Education Authority  
Statement of Operations

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 30,000	\$ 30,000	\$ 30,000
GNWT	-	180,048	165,342
Other	-	-	-
Deferred Revenue	4,076	(52,029)	(50,324)
Contributions Repaid	(4,076)	(1,243)	474
	<u>30,000</u>	<u>156,776</u>	<u>145,492</u>
<b>Expenses</b>			
Administration	11,500	39,921	18,727
School programs	18,500	126,776	115,492
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	<u>30,000</u>	<u>166,697</u>	<u>134,219</u>
Surplus (Deficit)	-	(9,921)	11,273
Opening equity		13,997	2,724
Closing equity	\$	4,076	\$ 13,997
<b>Composition of Closing Equity</b>			
Cash	\$	-	\$ -
Accounts Receivable		4,076	13,997
Accounts Payable		-	-
	<u>\$</u>	<u>4,076</u>	<u>\$ 13,997</u>

## NORMAN WELLS

District Education Authority  
Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	30,799	-	-	-	10,978	-	41,777
Board/Trustee Honoraria	-	-	-	-	-	-	-
	30,799	-	-	-	10,978	-	41,777
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	1,314	-	-	-	-	-	1,314
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	28,943	-	28,943
	1,314	-	-	-	28,943	-	30,257
<b>Materials/Supplies/Freight</b>							
Materials	94,663	-	-	-	-	-	94,663
Freight	-	-	-	-	-	-	-
	94,663	-	-	-	-	-	94,663
<b>Total</b>	<b>\$ 126,776</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,921</b>	<b>\$ -</b>	<b>166,697</b>

# TULITA

## District Education Authority Statement of Operations

For the year ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Contributions from Divisional Council	\$ 27,000	\$ 27,000	\$ 27,000
GNWT	-	103,626	121,875
Other	-	-	-
Deferred Revenue	23,452	(38,919)	(37,724)
Contribution Repayable	(23,452)	(25,896)	(21,667)
	27,000	65,811	89,484
<b>Expenses</b>			
Administration	15,000	41,094	22,324
School programs	12,000	38,810	54,114
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	8,370
	27,000	79,904	84,808
Surplus (Deficit)	-	(14,093)	4,676
Opening equity		24,329	19,653
Closing equity	\$	10,236	\$ 24,329
<b>Composition of Closing Equity</b>			
Cash	\$	-	\$ -
Accounts Receivable		10,236	24,329
Accounts Payable		-	-
	\$	10,236	\$ 24,329

# TULITA

District Education Authority  
Details of Expenses

For the year ended June 30, 2019

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
<b>Salaries</b>							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	15,578	-	-	-	11,270	-	26,848
Board/Trustee Honoraria	-	-	-	-	4,247	-	4,247
	15,578	-	-	-	15,517	-	31,095
<b>Employee Benefits</b>							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Services Purchased/Contracted</b>							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	25,577	-	25,577
	-	-	-	-	25,577	-	25,577
<b>Materials/Supplies/Freight</b>							
Materials	23,020	-	-	-	-	-	23,020
Freight	212	-	-	-	-	-	212
	23,232	-	-	-	-	-	23,232
<b>Total</b>	<b>\$ 38,810</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41,094</b>	<b>\$ -</b>	<b>79,904</b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL**

**FORT SMITH, NT.**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**Management Discussion and Analysis  
For the year ended June 30, 2019**

**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 2018/19 representatives were as follows:

Fort Smith – Ann Pischinger (Chairperson)  
Fort Resolution – Bess Ann McKay (Vice-Chairperson)  
Hay River – Pennie Pokiak  
K’atlodeeche – Roseann Tourangeau  
Lutsel K’e – Thomas Lafferty

Key senior management positions were as follows:

Superintendent – Dr. Curtis Brown  
Division Principals – Alan Karasiuk/Dorie Hanson  
Comptroller – James Watts, CPA

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.

<b>VISION</b>
<b>All individuals reach their educational potential</b>
<b>MISSION</b>
<b><i>The South Slave Divisional Education Council strives to prepare students to create their futures by ensuring high levels of learning for ALL.</i></b>

The SSDEC is committed to improving student *literacy, numeracy* and *social responsibility* as the key priorities for student success in school and in life.

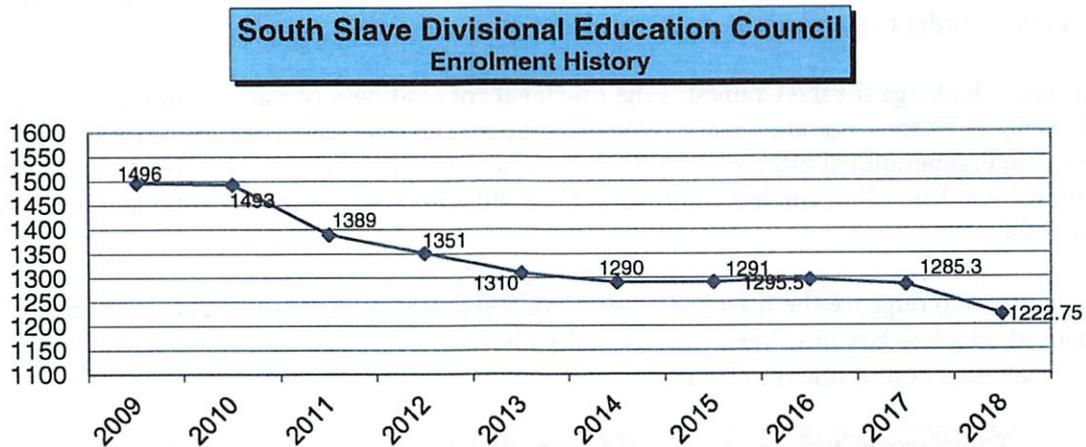
## Operating Environment

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 teacher salaries yet collective agreement provisions provide annual salary increments to staff which school boards must pay. ECE also underfunds school boards for salaries of long term UNW, Excluded, and Managers.
- 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)

ECE allocations have decreased over the past several years as well.

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. 1200 now vs. over 1800 previously).



Fewer students means less funding and less flexibility for the Council to allocate the resources necessary to continue to fund its priorities and a diversity of program offerings. We seem to have plateaued at around 1200-1300 students for the last few years. Whether this stability continues into the future is an uncertainty that we deal with by allowing schools to maintain staffing surpluses. These surpluses allow schools to smooth out any potential wrinkles caused by sudden drops in enrolment and make for an easier transition to having fewer students going forward.

Finalization of the GNWT's policy on surpluses now provides clarity on what Education Bodies are allowed to retain where none existed before. The new policy encourages and allows a surplus of up to 7% of the last audited figure for overall revenue. This is inclusive of any school and DEA surpluses. The results from the 2018/19 financial audit, inclusive of the revised GNWT

actuarial calculations, unexpectedly leave the SSDEC above the maximum allowable surplus. The planned deficit for 2019/20 will address a portion of that overage.

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:

<b>To improve student success in <i>literacy</i></b>	To increase the percentage of students meeting or exceeding expectations for literacy proficiency
<b>To improve student success in <i>numeracy</i></b>	To increase the percentage of students meeting or exceeding expectations for numeracy proficiency
<b>To increase understanding and practice of <i>socially responsible behaviour</i> by all members of the school community</b>	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.

In literacy we saw a modest growth in the percentage of students reading at or above acceptable levels (from 62% to 64%). Each school continued to maintain a full-time Literacy Coach who in turn is supported by our Regional Literacy Coordinator. Our math project progressed into Grade 9 this past year and each school had an identified Math Lead who worked closely with our Regional Coordinator. Overall, the number of students meeting an acceptable standard in math remained constant at 70% (with five schools showing improvement). In the area of Social Responsibility the SSDEC saw an increase in the percentage of students attending 90% of the time (from 37% to 42%).

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* for the *South Slave Healthy Communities Partnership*.

Further, the SSDEC's Leadership for Literacy initiative has been recognized nationally as well, being awarded *Indspire's (aka National Aboriginal Achievement Awards) 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 heels 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. Aside from the recognition of the Council and the impressive recipients of the *SSDEC Excellence in Education Awards*, five 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 former Assistant Superintendent were the first two 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 received the *Queen's Diamond Jubilee* medals for exemplary service to their communities. The South Slave DEC also has 9 inductees into the *NWT Education Hall of Fame* with three more being added in 2018/19.

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; in addition to English and French. This past year the SSDEC had an Indigenous Language educator receive the *Premier's Award of Excellence* while another received the *NWTTA Indigenous Educator Award*.

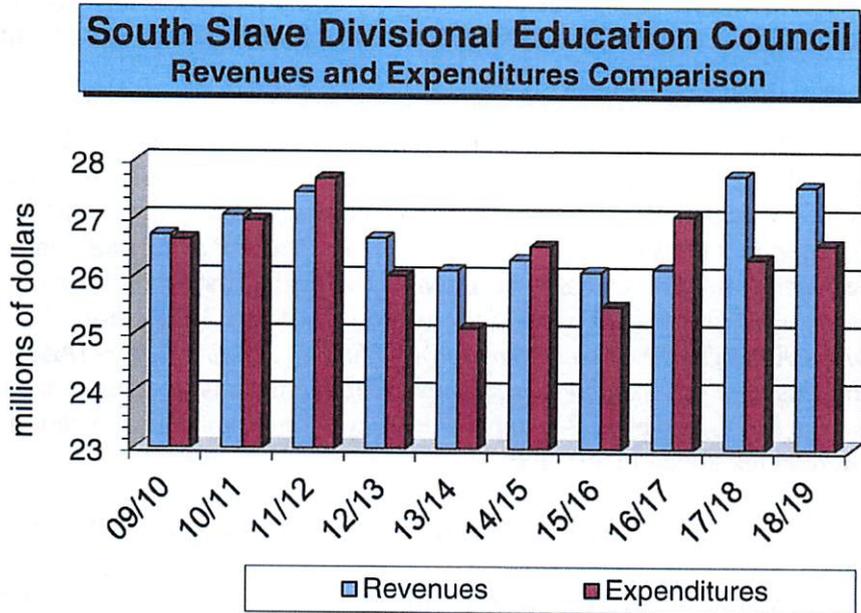
There has also been an increase in staff use of long-term leave requests due to mental health issues. As we are unsure when staff will be able to return to their classrooms, we increasingly find ourselves hiring unqualified substitutes for repeated one and two month periods. This is not only disruptive to classroom routine, but compromises the quality of students' education and is costly for the SSDEC.

Teacher turnover, compounded by the shortage of suitable applicants, means there is a need to engage in more formalized transition planning. Specialist positions are continuing to be difficult to fill, in particular; Indigenous Language teachers, French Immersion and senior Math/Science. We were proactive in finding and funding 3 Indigenous Language interns in 2018/19, with a fourth slated to start in August.

ECE's new *Education Renewal and Innovation* initiative also 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, 21<sup>st</sup> 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, 2019 the Council had an operating surplus of \$998,146 inclusive of DEA surpluses and deficits. This was higher than the projected deficit of \$914,428 due to a higher than normal adjustment to the Council's employee future benefits liability amount (+\$400,000). Other reasons for the surplus include but are not limited to: slightly higher

(approx. \$150,000) revenue than projected in June, savings resulting from an unexpected influx of Federal funding for Aboriginal Languages (\$100,000), and other expenditures were approx. \$450,000 less than projected in June.

The accumulated uncommitted fund balance for the Council now sits at \$3,445,942 (see chart below) which is \$1,516,653 above the Council's maximum fund balance of \$1,929,289 spelled out in policy DFAA – Financial Surplus. The Council's budget for 2019/20 is a deficit budget of \$850,951 that, if realized, would bring the Council's accumulated fund balance down to \$2,594,991.

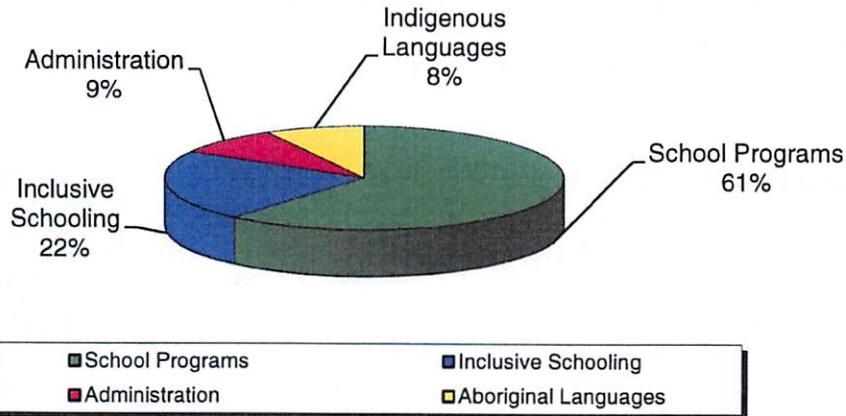
	<u>2019</u>	<u>2018</u>
Accumulated Fund Balance at beginning of year	\$3,344,330	\$1,907,706
Operating Surplus/(Deficit) for year	<u>998,146</u>	<u>1,436,624</u>
Accumulated Fund Balance at end of year	\$4,342,476	\$3,344,330
Commitments against Fund Balance	<u>(896,534)</u>	<u>(1,155,519)</u>
Uncommitted Fund Balance at end of year	<u>\$3,445,942</u>	<u>\$2,188,811</u>

Currently the Council's liquidity position is good but, given the back-end loading of allocations to school boards by ECE, there is still the concern that funds could be short around the end of March. Given that about 86% (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 22% of the Council's expenditures in 2018/19. Funding spent on Indigenous Languages Education is also above what was funded by ECE.

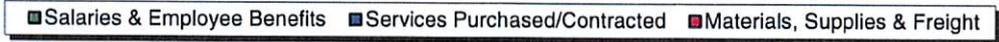
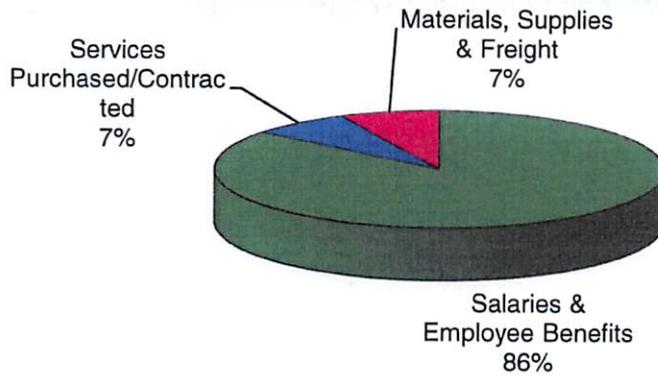
During the 2018/19 year the Council was reimbursed a total of \$509,715 for termination costs related to the 2017/18 fiscal year covering 12 retirements/resignations (10 NWTTA, 2 UNW).

**South Slave Divisional Education Council  
Expenditures by Function  
For the Year Ended June 30, 2019**



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.

**South Slave Divisional Education Council  
Details of Expenditures  
For the Year Ended June 30, 2019**



## **Summary and Outlook**

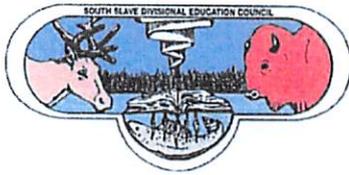
In summary, the SSDEC is currently in a positive financial position although, due to the inclusion of school and DEA surpluses in the calculation, we are currently above the maximum surplus allowed under the new GNWT policy as detailed earlier. Our deficit budget for 2019/20 was planned to address much of that excess.

It should also be noted that in the last two years our surplus has increased by almost \$1 million due to a reduction in the Council's post-employment benefits liability (a number provided by the GNWT in July, after our fiscal year spending is complete, and after our next year budget and staffing has been finalized as well). This reduction is not a result of operations and artificially increases our surplus without adding anything to our cash balances. It is expected that this will be taken into consideration when applying the GNWT's surplus policy to Education Bodies.

Staffing continues to be an on-going concern and we anticipate this to continue in the short-term. Teacher shortages elsewhere in Canada have made it difficult to hire teaching staff currently. This phenomenon affects not only the SSDEC but all Education Bodies across the NWT, and most southern jurisdictions as well.

We are also seeing an increase in the number of students entering the system with complex needs and vulnerabilities at the same time our core Inclusive Schooling funding has decreased. Our schools have been proactive in applying for and receiving over \$1 million in additional support funding through the Jordan's Principle initiative. It is hoped that initiatives like Jordan's Principle will continue to provide supplemental funding for psychological testing for students and increased supports in the classroom that will help address some of the causes and impacts of mental health issues in students, including attendance and behavioural issues.

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 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 South Slave Divisional Education Council. The operations and administration of the South Slave Divisional 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, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the South Slave Divisional 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 South Slave Divisional Education Council

Dr. Curtis Brown  
Superintendent

Jamie Watts CPA, CMA  
Comptroller

August 2, 2019



**VERY COOPER & CO. LTD.**  
Chartered Professional Accountants

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**INDEPENDENT AUDITORS' REPORT**

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

*Report on the Audit of the Consolidated Financial Statements*

*Qualified Opinion*

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, 2019 and the Consolidated Statements of Changes in Net Financial Assets (Debt), Statement of Operations and Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 South Slave Divisional Education Council as at June 30, 2019 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for Qualified Opinion**

Salaries and related benefits paid to employees of the South Slave Divisional 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 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 relating to compensation and benefits.

*Other matter*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of South Slave Divisional Education Council taken as a whole. The supplementary information included on various schedules 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.

*Other Information*

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## INDEPENDENT AUDITORS' REPORT - cont'd.

We obtained the management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### *Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and the Act of the Northwest Territories, 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.

Those charged with governance are responsible for overseeing the 's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT - cont'd.**

*Report on Other Legal and Regulatory Requirements*

We further report, in accordance with the Education Act's requirement for the Education Authority to comply with the Financial Administration Act, in our opinion, proper books of account have been kept by the South Slave Divisional 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.

*Avery Cooper & Co. Ltd.*

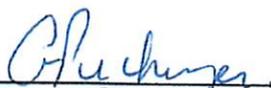
**AVERY COOPER & CO. LTD.**  
Chartered Professional Accountants  
Yellowknife, NT

**August 2, 2019**

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents (Note 4)	\$10,588,171	\$7,815,425
Trust Assets (Note 18)	77,852	80,030
Due from the GNWT (Note 8)	171,677	101,157
Due from the Government of Canada (Note 13)	21,218	0
Other Accounts Receivable (Note 8)	169,284	120,362
<b>Total Financial Assets</b>	<b><u>\$11,028,201</u></b>	<b><u>\$8,116,974</u></b>
<b><u>Liabilities</u></b>		
Bank Indebtedness	\$22,612	\$0
Accounts Payable and Accrued Liabilities (Note 10)	43,067	89,132
Trust Liabilities (Note 18)	77,852	80,030
Due to the GNWT (Note 10)	(\$13,510)	24,313
Payroll Liabilities (Note 10)	2,939,618	989,548
Deferred Revenue (Note 11)	593,587	28,550
Post-Employment Benefits (Note 17)	3,023,696	3,561,071
<b>Total Liabilities</b>	<b><u>\$6,686,921</u></b>	<b><u>\$4,772,644</u></b>
<b>Net Financial Resources</b>	<b><u>\$4,341,279</u></b>	<b><u>\$3,344,330</u></b>
<b><u>Non-Financial Assets</u></b>		
Prepaid Expenses (Note 20)	\$0	\$0
<b>Accumulated Fund Balance</b>	<b><u>\$4,341,279</u></b>	<b><u>\$3,344,330</u></b>
<b>Represented By:</b>		
Operating Fund Balance	\$3,149,054	\$1,724,226
DEA Fund Balances	\$295,690	\$464,585
School Staffing Surpluses (Note 35)	\$896,534	\$1,155,519
<b>Accumulated Fund Balance</b>	<b><u>\$4,341,279</u></b>	<b><u>\$3,344,330</u></b>

Approved:

  
Chairperson

  
Comptroller

See attached notes and schedules.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
For the Year Ended June 30, 2019**

	<b>Unaudited 2019 Budget</b>	<b>2019</b>	<b>2018</b>
Operating Surplus/(Deficit) (Statement III)	(\$452,714)	\$998,146	\$1,436,624
Prior Year Adjustments		<u>(1,197)</u>	<u>0</u>
<b>Increase/(Decrease) in Net Financial Resources</b>	<b>(\$452,714)</b>	<b>\$996,949</b>	<b>\$1,436,624</b>
Opening Net Financial Resources	<u>3,344,330</u>	<u>3,344,330</u>	<u>1,907,706</u>
Closing Net Financial Resources	<u><u>\$2,891,616</u></u>	<u><u>\$4,341,279</u></u>	<u><u>\$3,344,330</u></u>

See attached notes and schedules.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
CONSOLIDATED STATEMENT OF OPERATIONS  
For the Year Ended June 30, 2019**

	(Note 25) (unaudited) <u>2019 Budget</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
ECE Regular Contributions	\$24,779,493	\$25,510,428	\$25,654,495
Other ECE Contributions	368,000	822,725	1,260,954
<b>Total ECE Contributions</b>	<u>\$25,147,493</u>	<u>\$26,333,153</u>	<u>\$26,915,449</u>
Other GNWT Contributions	\$688,597	\$199,174	\$294,152
<b>Total GNWT Contributions</b>	<u>\$25,836,090</u>	<u>\$26,532,328</u>	<u>\$27,209,601</u>
<b>Other Education Bodies</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Government of Canada</b>			
Jordan's Principle	\$0	\$409,384	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada</b>	<u>\$0</u>	<u>\$409,384</u>	<u>\$0</u>
<b>Generated Funds</b>			
Investment Income	\$80,400	\$167,464	\$101,338
Non-GNWT Contributions	0	81,176	123,314
Donations	0	48,615	81,343
Other	65,501	322,298	232,820
<b>Total Generated Funds</b>	<u>\$145,901</u>	<u>\$619,555</u>	<u>\$538,816</u>
<b>Total Revenues</b>	<u>\$25,981,991</u>	<u>\$27,561,266</u>	<u>\$27,748,416</u>
<b><u>EXPENSES (Schedule 1)</u></b>			
Administration	\$2,494,933	\$2,293,716	\$2,289,524
School Programs	16,349,521	16,266,063	16,539,072
Inclusive Schooling	5,187,743	5,848,196	5,140,291
Indigenous Language and Education	2,045,967	2,155,145	2,342,905
<b>Total Expenses</b>	<u>\$26,078,164</u>	<u>\$26,563,121</u>	<u>\$26,311,792</u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<u>(\$96,173)</u>	<u>\$998,146</u>	<u>\$1,436,624</u>
<b>Opening Fund Balance</b>		<u>3,344,330</u>	<u>1,907,706</u>
<b>Closing Fund Balance</b>		<u>\$4,342,476</u>	<u>\$3,344,330</u>

See attached notes and schedules.

**Statement IV**

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
CONSOLIDATED STATEMENT OF CASH FLOW  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Cash Provided By (Used In):</b>		
Operating Surplus/(Deficit)	\$998,146	\$1,436,624
<b>Changes in Non-cash Assets and Liabilities</b>		
Decrease (increase) due from Government of Canada	(\$21,218)	\$1,574
Decrease (increase) in accounts receivable	(119,442)	79,923
Increase (decrease) in acc. payroll/emp. deductions	1,950,070	(\$150,125)
Increase (decrease) in accounts payable	(83,888)	46,955
Increase (decrease) in trust liability	(2,178)	0
Increase (decrease) in deferred revenue	565,037	21,483
Increase (decrease) in post-employment benefits	-537,375	(\$402,793)
Decrease (increase) in prepaid expenses	<u>0</u>	<u>0</u>
<b>Cash Provided by (Used In) Operating Transactions</b>	<u>\$2,749,152</u>	<u>\$1,033,641</u>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<u>\$2,749,152</u>	<u>\$1,033,641</u>
<b>Cash and Cash Equivalents at Beginning of Year</b>	\$7,895,455	\$6,861,814
<b>Cash and Cash Equivalents at End of Year *</b>	<u><u>\$10,643,411</u></u>	<u><u>\$7,895,455</u></u>

\* Cash and cash equivalents are represented by cash and short-term investments.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**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.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

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.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**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 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.

**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.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**Investment income:**

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

**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.

**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.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**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 30<sup>th</sup> 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 30<sup>th</sup>.

**k) Post-Employment Benefits, Compensated Absences and Termination Benefits**

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

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

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) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**Note 3. Future Accounting Changes**

- a) Student Activity/Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

**Note 4. Cash and Cash Equivalents**

	<u>2019</u>	<u>2018</u>
Cash	\$10,588,171	\$7,815,425
Trust Assets	77,852	80,030
Bank Indebtedness	<u>(22,612)</u>	<u>0</u>
Total	<u>\$10,643,411</u>	<u>\$7,895,455</u>

**Note 5. Special Purpose Funds**

Nothing to report.

**Note 6. Restricted Assets**

Nothing to report.

**Note 7. Portfolio Investments**

Security	June 30 balance	Interest for year	March 31 balance	Date Purchased	Term	Maturity	Interest Rate
T-Bill (FR)	\$18,166.98	\$238.83	\$18,124.49	Unknown	n/a	n/a	n/a
GIC (FS)	\$177,276.77	\$897.53	\$177,276.77	2019/04/22	1 yr.	2020/04/20	2.7%
GIC (KFN)	\$5877.66	\$2.93	\$5,877.66	2019/06/27	2 mos. 30 days	2019/09/26	0.05%

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**Note 8. Accounts Receivable**

	<u>2019 Net</u>	<u>2018 Net</u>
GNWT – Finance	\$ 20,605	\$ 11,950
GNWT – MACA	20,000	0
Aurora College	9,849	4,410
GNWT – ITI	30,000	0
GNWT – ECE	<u>91,223</u>	<u>84,797</u>
Total due from GNWT	\$171,677	\$101,157
Due from Government of Canada	21,218	0
Other	<u>169,284</u>	<u>120,362</u>
Total Receivables	<u>\$362,179</u>	<u>\$221,519</u>

**Note 9. Inventories**

Not applicable.

**Note 10. Accounts Payable and Accrued Liabilities**

	<u>2019</u>	<u>2018</u>
Deninu School	\$ 5,000	\$ 0
Diamond Jenness	1,703	0
Joseph Burr Tyrrell	1,500	0
Paul William Kaeser	1,425	0
GNWT – Dept of Finance	0	972
GNWT – Dept. of Education, Culture & Employment	0	23,341
<b><u>Payroll Liabilities</u></b>		
To GNWT (Finance)	\$2,858,916	989,548
Government of Canada	1,329	0
Annual/Lieu	56,235	0
WSSC	<u>0</u>	<u>0</u>
Total Due to GNWT	\$2,926,108	\$1,013,861
Other	<u>29,478</u>	<u>89,132</u>
Total Accounts Payable	<u>\$2,955,586</u>	<u>\$1,102,993</u>

**Note 11. Deferred Revenue**

	<u>2019</u>	<u>2018</u>
Self-Regulation resources (from ECE)	\$ 0	\$ 1,278
Child/Youth Resiliency – Chief Sunrise (MACA)	0	13,636
Child/Youth Resiliency - Deninu (MACA)	0	13,636
Take a Kid Gardening - K'atlodeeche (ITI)	3,512	0
Take a Kid Gardening – Lutsel K'e (ITI)	4,750	0
Library Funding – Deninu (ECE)	<u>2,397</u>	<u>0</u>
Total GNWT	\$ 10,659	\$ 28,550
Jordan's Principle	<u>582,928</u>	<u>0</u>
Total Deferred Revenue	<u>\$ 593,587</u>	<u>\$ 28,550</u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**Note 12. Contribution Repayable**

Nothing to report.

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

Due from the Gov't of Canada – Jordan's Principle (Lutsel K'e) - \$21,218

**14. Capital Lease Obligations**

Nothing to report.

**15. Pensions**

Nothing to report.

**16. Long-term Debt**

Nothing to report

**17. Post-Employment Benefits, Compensated Absences and Termination Benefits**

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 dependant 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.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**Valuation result**

The actuarial valuation was completed as at March 31, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2018 and the results extrapolated the June 30, 2019. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	<b>Severance and Removal \$</b>	<b>Compensated Absences \$</b>	<b>2019 \$</b>	<b>2018 \$</b>
<b>Changes in Obligation</b>				
Accrued benefit obligations at beginning of year	\$1,657,351	\$476,628	\$2,133,979	\$2,457,242
Current period benefit cost	\$87,594	\$30,005	\$117,599	\$119,936
Interest accrued	\$60,106	\$17,669	\$77,774	\$77,305
Benefits payments	(\$470,564)	(\$45,734)	(\$516,298)	(\$398,797)
Plan amendments	\$0	\$0	\$0	\$0
Actuarial (gains)/losses	\$459,646	\$29,112	\$488,759	(\$121,707)
<b>Accrued benefit obligations at end of year</b>	<b>\$1,794,133</b>	<b>\$507,680</b>	<b>\$2,301,813</b>	<b>\$2,133,979</b>
Surplus/(deficit) at end of year	(\$1,794,133)	(\$507,680)	(\$2,301,813)	(\$2,457,242)
Unamortized net actuarial (gain)/loss	(\$779,156)	\$57,274	(\$721,883)	(\$1,506,621)
<b>Net future obligation</b>	<b>(\$2,573,289)</b>	<b>(\$450,406)</b>	<b>(\$3,023,696)</b>	<b>(\$3,963,864)</b>
Other employee future benefits	\$0	\$0	\$0	\$0
Other compensated absences	\$0	\$0	\$0	\$0
<b>Total employee future benefits and compensated absences</b>	<b>(\$3,110,968)</b>	<b>(\$450,102)</b>	<b>(\$3,561,071)</b>	<b>(\$3,561,071)</b>
<b>Benefits Expense</b>				
Current period benefit cost	\$87,594	\$30,005	\$117,599	\$119,936
Interest accrued	\$60,106	\$17,669	\$77,774	\$77,305
Plan amendments	\$0	\$0	\$0	\$0
Amortization of actuarial gains	(\$214,815)	(\$1,636)	(\$216,450)	(\$201,237)
<b>Total Expense</b>	<b>(\$67,115)</b>	<b>\$46,038</b>	<b>(\$21,077)</b>	<b>(\$3,996)</b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

The discount rate used to determine the accrued benefit obligation is an average of 3.20%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	<b>Severance &amp; Removal \$</b>	<b>Compensated Absences \$</b>	<b>Total \$</b>
2020	\$303,597	\$74,394	\$377,991
2021	\$244,467	\$63,578	\$308,045
2022	\$218,438	\$57,746	\$276,184
2023	\$189,095	\$52,675	\$241,770
2024	\$150,129	\$47,609	\$197,738
	<b>\$1,105,726</b>	<b>\$296,002</b>	<b>\$1,401,728</b>

**18. Trust Assets Under Administration**

	<u>2019</u>	<u>2018</u>
Andrew John Piche Scholarship Fund	\$77,852	\$80,030

**19. Tangible Capital Assets**

Nothing to report.

**20. Prepaid Expenses**

Nothing to report.

**21. GNWT Assests Provided at no Cost.**

	<u>Cost</u>	<u>Acc. Amort.</u>	<u>2019 NBV</u>	<u>2018 NBV</u>
Joseph Burr Tyrrell School	\$9,505,610	\$5,318,742	\$4,186,868	\$4,399,171
Paul William Kaeser School	\$8,070,058	\$5,412,736	\$2,657,321	\$2,512,580
Deninu School	\$5,197,266	\$5,197,266	\$0	\$0
Lutsel K'e Dene School	\$16,791,305	\$2,172,080	\$14,619,225	\$393,913
Princess Alexandra School	\$7,672,236	\$5,510,319	\$2,161,916	\$2,439,207
Diamond Jenness School	\$34,298,324	\$12,830,441	\$21,467,884	\$22,741,016
Harry Camsell School	\$6,615,080	\$4,335,343	\$2,279,737	\$2,452,389

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

Chief Sunrise Education Ctr.	\$2,444,710	\$1,175,093	\$1,269,617	\$1,342,389
DJSS Trades Building	\$2,423,804	\$526,898	\$1,896,906	\$1,957,446
PWK High School Seacan	\$687,229	\$377,976	\$309,253	\$355,069
PWK Welding Shop	\$389,368	\$45,426	\$343,942	\$353,676
	\$93,094,990	\$42,902,320	\$51,192,670	\$39,367,238

**22. Contractual Obligations**

	2020	2021	2022	2023	2024	Total
<u>Equipment</u>						
Xerox WC7845i	\$5,874	\$5,784				\$11,568
Pitney Bowes	\$1,592	\$1,592	\$1,592	\$272		\$5,048
Altalink B8065	\$2,453	\$2,453	\$2,453	\$1,227		\$8,586
<u>Commercial Lease</u>						
Fort Smith Constr.	\$163,615	\$163,615	\$163,615	\$163,615	\$54,538	\$708,999
Total	\$173,444	\$173,444	\$167,660	\$165,114	\$54,538	\$734,201

**23. Contingencies**

Nothing to report.

**24. Related Parties and Inter-Entity Transactions**

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**

	<u>2019</u>	<u>2018</u>
Dept. of Finance	\$2,858,916	\$ 989,548

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2019

Dept. of Education, Culture and Employment	0	23,341
Dept. of Finance	0	972
Deninu School	5,000	0
Diamond Jenness Secondary School	1,703	0
Joseph Burr Tyrrell School	1,500	0
Paul William Kaeser School	1,425	0
 <b><u>Accounts Receivable</u></b>		
Fort Smith DEA	\$ 21,602	0
Princess Alexandra School	156	0
Joseph Burr Tyrrell School	2,249	0
Dept. of Finance	20,605	11,950
Dept. of ITI	30,000	0
Dept. of Education, Culture and Employment	91,223	84,797
Dept. of MACA	20,000	0
Aurora College	9,849	4,410

**25. 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 September 13, 2018 and have not been audited.

**26. 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.

**27. 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

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

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 risk.

**28. Expenses by Object**

	<u>2019 Budget</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
Compensation	\$22,813,609	\$22,721,942	\$22,494,778
Other	<u>3,144,598</u>	<u>3,841,189</u>	<u>3,817,015</u>
Total	<u>\$25,958,207</u>	<u>\$26,563,131</u>	<u>\$26,311,792</u>

**29. Subsequent Events**

Nothing to report.

**30. Comparative Figures**

Nothing to report.

**31. ECE Other Contributions**

Self-Regulations Resources	\$	8,278
Career Coordinator		148,986
Northern Distance Learning		35,091
TLC Funding		132,000
French (FSL) Funding		288,000
Trades Awareness		53,199
Post-Intensive French		58,800
Lunch meeting re: school reno in Lutsel K'e		750
Health and Wellness Curriculum		25,970
Career Counselling Review		40,020
French Monitor Assistance		2,011
 K'atlodeeche Dictionary Project (repayment)		 (2,983)
Library Funding		<u>32,603</u>
Total	<u>\$</u>	<u>822,725</u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

**32. GNWT Other Contributions**

<u>Health &amp; Social Services</u>	
Drop the Pop	\$ 15,909
Spirit Novel re-print	5,580
<u>Energy &amp; Natural Resources</u>	
Take a Kid Trapping	39,190
<u>Municipal &amp; Community Affairs</u>	
Youth Corps	20,000
Child/Youth Resiliency	40,908
Active After School	46,800
Regional Youth Sports	2,250
<u>Industry, Tourism &amp; Investment</u>	
Forestry Program	2,861
Take A Kid Gardening	788
<u>Finance</u>	
Tech Intern	<u>24,889</u>
Total	<u>\$199,174</u>

**33. Contingent Assets**

Nothing to report.

**34. Contractual Rights**

Nothing to report.

**35. Commitments Against Surplus**

The Council currently has approved commitments against its surplus of \$896,534 consisting mainly of school staffing surpluses as detailed in Schedule 28 to the financial statements.

## Schedule 1

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
CONSOLIDATED SCHEDULE OF EXPENSES  
For the Year Ended June 30, 2019**

	<b>School Programs</b>	<b>Inclusive Schooling</b>	<b>Admin.</b>	<b>Indigenous Language</b>	<b>Fiscal &amp; Transfers</b>	<b>Total</b>
<b>Salaries</b>						
Teachers	\$12,749,717	\$2,167,328	\$0	\$1,123,812	\$0	\$16,040,856
Instruction Assistants	\$0	\$2,625,354	\$0	\$281,151	\$0	\$2,906,505
Non-Instructional Staff	\$1,661,051	\$341,207	\$1,448,590	\$75,898	\$0	\$3,526,746
Board/Trustee Honoraria	\$1,720	\$0	\$40,347	\$15,430	\$0	\$57,497
<b>Employee Benefits</b>						
Employee Benefits/Allowances	\$158,811	\$66,583	\$10,613	\$21,307	\$0	\$257,315
Leave & Termination Benefits	-\$237,930	\$121,943	\$9,988	\$39,022	\$0	-\$66,977
<b>Services Purchased/Contracted</b>						
Professional/Technical Services	\$218,665	\$79,690	\$39,035	\$9,142	\$0	\$346,532
Postage/Communication	\$52,055	\$0	\$44,057	\$73	\$0	\$96,186
Utilities	\$2,200	\$0	\$90	\$0	\$0	\$2,290
Travel	\$135,579	\$146,978	\$94,806	\$90,891	\$0	\$468,253
Student Travel	\$29,454	\$0	\$0	\$0	\$0	\$29,454
Advertising/Printing/Publishing	\$4,182	\$3,635	\$11,306	\$46,294	\$0	\$65,417
Maintenance/Repair	\$13,058	\$1,166	\$70,583	\$3,570	\$0	\$88,377
Rentals/Leases	\$79,268	\$2,191	\$187,450	\$4,368	\$0	\$273,277
Contracted Services	\$385,815	\$32,394	\$17,895	\$119,981	\$0	\$556,084
<b>Materials/Supplies/Freight</b>						
Materials	\$984,469	\$251,490	\$317,915	\$321,524	\$0	\$1,875,399
Freight	\$21,909	\$8,237	\$7,081	\$2,683	\$0	\$39,910
<b>Total</b>	<b>\$16,260,023</b>	<b>\$5,848,196</b>	<b>\$2,299,757</b>	<b>\$2,155,145</b>	<b>\$0</b>	<b>\$26,563,121</b>

**FORT SMITH DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
as at June 30, 2019

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$78,903	\$86,187
Cash Held in Trust	77,852	80,030
Other Accounts Receivable (net)	<u>0</u>	<u>24,020</u>
<b>Total Financial Assets</b>	<b><u>\$156,755</u></b>	<b><u>\$190,237</u></b>
<b><u>Liabilities</u></b>		
Accounts Payable & Accrued Liabilities	(\$3)	(\$152)
Trust Liability	<u>77,852</u>	<u>80,030</u>
<b>Total Liabilities</b>	<b><u>\$77,849</u></b>	<b><u>\$79,878</u></b>
<b>Net Financial Resources</b>	<b><u>\$78,906</u></b>	<b><u>\$110,359</u></b>
<b>Fund Balance</b>	<b><u><u>\$78,906</u></u></b>	<b><u><u>\$110,359</u></u></b>

**FORT SMITH DISTRICT EDUCATION AUTHORITY  
STATEMENT OF OPERATIONS  
For the Year Ended June 30, 2019**

	<b>2019 Budget (unaudited)</b>	<b><u>2019 Actual</u></b>	<b><u>2018 Actual</u></b>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
ECE Regular Contributions	\$543,776	\$543,776	\$581,931
Other ECE Contributions	0	47,699	139,679
<b>Total ECE Contributions</b>	<u>\$543,776</u>	<u>\$591,475</u>	<u>\$721,610</u>
Other GNWT Contributions	\$0	\$36,000	\$25,722
<b>Total GNWT Contributions</b>	<u>\$543,776</u>	<u>\$627,475</u>	<u>\$747,332</u>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$0	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada Contributions</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Generated Funds</b>			
Investment Income	\$400	\$898	\$548
Other	48,000	127,287	106,141
<b>Total Generated Funds</b>	<u>\$48,400</u>	<u>\$128,184</u>	<u>\$106,690</u>
<b>Total Revenues</b>	<u>\$592,176</u>	<u>\$755,659</u>	<u>\$854,022</u>
<b><u>EXPENSES (Schedule 4)</u></b>			
Administration	\$69,600	\$114,205	\$116,730
School Programs	406,475	486,620	623,211
Inclusive Schooling	33,460	50,497	52,197
Indigenous Language and Education	100,166	134,593	118,582
<b>Total Expenses</b>	<u>\$609,701</u>	<u>\$785,914</u>	<u>\$910,720</u>
<b>Operating Surplisu/(Deficit)</b>	<u>(\$17,525)</u>	<u>(\$30,255)</u>	<u>(\$56,698)</u>
<b>Fund Balance at beginning of year</b>		110,359	167,057
<b>Prior Period Adjustment</b>		<u>(\$1,198)</u>	<u>0</u>
<b>Fund Balance at end of year</b>		<u>\$78,906</u>	<u>\$110,359</u>

**FORT SMITH DISTRICT EDUCATION AUTHORITY  
SCHEDULE OF EXPENSES  
For the Year Ended June 30, 2019**

School Programs	Inclusive Schooling	Admin.	Indigenous Language	Fiscal & Transfers	Total
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**Salaries**

Teachers	\$2,249				\$2,249
Instruction Assistants					\$0
Non-Instructional Staff		\$76,846			\$76,846
Board/Trustee Honoraria					\$0

**Employee Benefits**

Employee Benefits/Allowances					\$0
Leave & Termination Benefits					\$0

**Services Purchased/Contracted**

Professional/Technical Services					\$0
Postage/Communication	\$27,875		\$3,097		\$30,972
Utilities					\$0
Travel					\$0
Student Travel					\$0
Advertising/Printing/Publishing					\$0
Maintenance/Repair	\$4,719				\$4,719
Rentals/Leases	\$16,495		\$1,833		\$18,328
Contracted Services	\$88,994				\$88,994

**Materials/Supplies/Freight**

Materials	\$346,288	\$50,497	\$32,429	\$134,593	\$563,807
Freight					\$0

<b>Total</b>	<b>\$486,620</b>	<b>\$50,497</b>	<b>\$114,205</b>	<b>\$134,593</b>	<b>\$0</b>	<b>\$785,914</b>
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**HAY RIVER DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
as at June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$663,048	\$135,605
Due from the GNWT	0	0
Other Accounts Receivable (net)	<u>22,037</u>	<u>6,331</u>
<b>Total Financial Assets</b>	<b><u>\$685,085</u></b>	<b><u>\$141,936</u></b>
<b><u>Liabilities</u></b>		
Accounts Payable & Accrued Liabilities	\$6,137	\$2,459
Deferred Revenue	<u>\$519,837</u>	<u>\$2,459</u>
<b>Total Liabilities</b>	<b><u>\$525,974</u></b>	<b><u>\$2,459</u></b>
<b>Net Financial Resources</b>	<b><u>\$159,111</u></b>	<b><u>\$139,477</u></b>
<b>Fund Balance</b>	<b><u><u>\$159,111</u></u></b>	<b><u><u>\$139,477</u></u></b>

**HAY RIVER DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF OPERATIONS**  
For the Year Ended June 30, 2019

	<b>2019 Budget (unaudited)</b>	<b><u>2019 Actual</u></b>	<b><u>2018 Actual</u></b>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
ECE Regular Contributions	\$645,673	\$645,673	\$615,915
Other ECE Contributions	0	247,432	134,215
<b>Total ECE Contributions</b>	<b><u>\$645,673</u></b>	<b><u>\$893,105</u></b>	<b><u>\$750,130</u></b>
Other GNWT Contributions	\$0	\$18,051	\$92,501
<b>Total GNWT Contributions</b>	<b><u>\$645,673</u></b>	<b><u>\$911,156</u></b>	<b><u>\$842,631</u></b>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$208,207	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada Contributions</b>	<b><u>\$0</u></b>	<b><u>\$208,207</u></b>	<b><u>\$0</u></b>
<b>Generated Funds</b>			
Investment Income	\$0	\$458	\$502
Other	17,501	72,261	29,450
<b>Total Generated Funds</b>	<b><u>\$17,501</u></b>	<b><u>\$72,719</u></b>	<b><u>\$29,952</u></b>
<b>Total Revenues</b>	<b><u>\$663,174</u></b>	<b><u>\$1,192,082</u></b>	<b><u>\$872,583</u></b>
<b><u>EXPENSES (Schedule 7)</u></b>			
Administration	\$120,476	\$121,694	\$149,061
School Programs	380,797	673,716	703,449
Inclusive Schooling	45,230	269,543	0
Indigenous Language and Education	116,671	107,495	79,968
<b>Total Expenses</b>	<b><u>\$663,174</u></b>	<b><u>\$1,172,448</u></b>	<b><u>\$932,478</u></b>
<b>Operating Surplus/(Deficit)</b>	<b><u>\$0</u></b>	<b><u>\$19,634</u></b>	<b><u>(\$59,895)</u></b>
<b>Fund Balance at beginning of year</b>		<b><u>139,477</u></b>	<b><u>199,372</u></b>
<b>Fund Balance at end of year</b>		<b><u>\$159,111</u></b>	<b><u>\$139,477</u></b>

Schedule 7

HAY RIVER DISTRICT EDUCATION AUTHORITY  
 SCHEDULE OF EXPENSES  
 For the Year Ended June 30, 2019

School Programs	Inclusive Schooling	Admin.	Indigenous Language	Fiscal & Transfers	Total
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**Salaries**

Teachers					\$0
Instruction Assistants	\$269,543		\$25,739		\$295,282
Non-Instructional Staff		\$106,481			\$106,481
Board/Trustee Honoraria		\$11,375			\$11,375

**Employee Benefits**

Employee Benefits/Allowances					\$0
Leave & Termination Benefits					\$0

**Services Purchased/Contracted**

Professional/Technical Services	\$108,680				\$108,680
Postage/Communication	\$22,513		\$2,914		\$25,427
Utilities					\$0
Travel					\$0
Student Travel	\$600				\$600
Advertising/Printing/Publishing					\$0
Maintenance/Repair					\$0
Rentals/Leases	\$30,625				\$30,625
Contracted Services	\$155,337				\$155,337

**Materials/Supplies/Freight**

Materials	\$347,850	\$924	\$81,756		\$430,530
Freight	\$8,111				\$8,111

<b>Total</b>	<b>\$673,716</b>	<b>\$269,543</b>	<b>\$121,694</b>	<b>\$107,495</b>	<b>\$0</b>	<b>\$1,172,448</b>
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**K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
as at June 30, 2019

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$51,938	\$50,145
Other Accounts Receivable (net)	4,970	6,900
<b>Total Financial Assets</b>	<b><u>\$56,908</u></b>	<b><u>\$57,045</u></b>
<b><u>Liabilities</u></b>		
Accounts Payable & Accrued Liabilities	\$11,317	\$5,141
Deferred Revenue	25,547	1,278
<b>Total Liabilities</b>	<b><u>\$36,864</u></b>	<b><u>\$6,419</u></b>
<b>Net Financial Resources</b>	<b><u>\$20,044</u></b>	<b><u>\$50,626</u></b>
<b>Fund Balance</b>	<b><u><u>\$20,044</u></u></b>	<b><u><u>\$50,626</u></u></b>

**K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF OPERATIONS**  
For the Year Ended June 30, 2019

	<u>2019 Budget</u> <u>(unaudited)</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
Regular ECE Contributions	\$59,990	\$59,990	\$81,079
Other ECE Contributions	0	32,814	26,342
<b>Total ECE Contributions</b>	<u>\$59,990</u>	<u>\$92,804</u>	<u>\$107,421</u>
Other GNWT Contributions	\$0	\$29,824	\$39,278
<b>Total GNWT Contributions</b>	<u>\$59,990</u>	<u>\$122,627</u>	<u>\$146,700</u>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$34,768	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada Contributions</b>	<u>\$0</u>	<u>\$34,768</u>	<u>\$0</u>
<b>Generated Funds</b>			
Investment Income	\$0	\$3	\$3
Donations	\$0	\$2,220	\$21,550
Other	0	15,776	26,151
<b>Total Generated Funds</b>	<u>\$0</u>	<u>\$17,999</u>	<u>\$47,704</u>
<b>Total Revenues</b>	<u>\$59,990</u>	<u>\$175,394</u>	<u>\$194,404</u>
<b><u>EXPENSES (Schedule 7)</u></b>			
Administration	\$31,600	\$24,582	\$49,101
School Programs	13,900	120,447	66,498
Inclusive Schooling	0	34,768	3,463
Indigenous Language and Education	26,021	26,180	39,389
<b>Total Expenses</b>	<u>\$71,521</u>	<u>\$205,976</u>	<u>\$158,451</u>
<b>Operating Surplus/(Deficit)</b>	<u>(\$11,531)</u>	<u>(\$30,582)</u>	<u>\$35,953</u>
<b>Fund Balance at beginning of year</b>		<u>\$50,626</u>	<u>\$14,673</u>
<b>Fund Balance at end of year</b>		<u>\$20,044</u>	<u>\$50,626</u>

**K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY  
SCHEDULE OF EXPENSES  
For the Year Ended June 30, 2019**

<b>School Programs</b>	<b>Inclusive Schooling</b>	<b>Admin.</b>	<b>Indigenous Language</b>	<b>Fiscal &amp; Transfers</b>	<b>Total</b>
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**Salaries**

Teachers	\$43,642				\$43,642
Instruction Assistants		\$34,768			\$34,768
Non-Instructional Staff					\$0
Board/Trustee Honoraria	\$1,720		\$5,100	\$9,675	\$16,495

**Employee Benefits**

Employee Benefits/Allowances					\$0
Leave & Termination Benefits					\$0

**Services Purchased/Contracted**

Professional/Technical Services					\$0
Postage/Communication		\$3,342			\$3,342
Utilities					\$0
Travel	\$6,364	\$699	\$617		\$7,680
Student Travel					\$0
Advertising/Printing/Publishing					\$0
Maintenance/Repair	\$7,174		\$1,462		\$8,636
Rentals/Leases		\$3,596			\$3,596
Contracted Services	\$4,940	\$7,470	\$400		\$12,810

**Materials/Supplies/Freight**

Materials	\$56,608	\$4,376	\$14,025		\$75,010
Freight					\$0

<b>Total</b>	<b>\$120,447</b>	<b>\$34,768</b>	<b>\$24,582</b>	<b>\$26,180</b>	<b>\$0</b>	<b>\$205,976</b>
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**FORT RESOLUTION DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
as at June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$77,138	\$151,624
Due from GNWT	0	0
Other Accounts Receivable (net)	0	0
	<hr/>	<hr/>
<b>Total Financial Assets</b>	<b>\$77,138</b>	<b>\$151,624</b>
	<hr/>	<hr/>
<b><u>Liabilities</u></b>		
Payroll Liabilities	\$4,615	\$960
Deferred Revenue	28,933	0
	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>\$33,548</b>	<b>\$960</b>
	<hr/>	<hr/>
<b>Net Financial Resources</b>	<b>\$43,590</b>	<b>\$150,664</b>
	<hr/>	<hr/>
<b>Fund Balance</b>	<b>\$43,590</b>	<b>\$150,664</b>
	<hr/> <hr/>	<hr/> <hr/>

**FORT RESOLUTION DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF OPERATIONS**  
For the Year Ended June 30, 2019

	<b>2019 Budget (unaudited)</b>	<b><u>2019 Actual</u></b>	<b><u>2018 Actual</u></b>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
Regular ECE Contributions	\$58,636	\$58,636	\$116,356
Other ECE Contributions	0	49,232	122,971
<b>Total ECE Contributions</b>	<b><u>\$58,636</u></b>	<b><u>\$107,868</u></b>	<b><u>\$239,327</u></b>
Other GNWT Contributions	\$0	\$32,686	\$59,357
<b>Total GNWT Contributions</b>	<b><u>\$58,636</u></b>	<b><u>\$140,554</u></b>	<b><u>\$298,684</u></b>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$71,909	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada Contributions</b>	<b><u>\$0</u></b>	<b><u>\$71,909</u></b>	<b><u>\$0</u></b>
<b>Generated Funds</b>			
Investment Income	\$0	\$239	\$126
Other	0	26,650	35,000
<b>Total Generated Funds</b>	<b><u>\$0</u></b>	<b><u>\$26,889</u></b>	<b><u>\$35,126</u></b>
<b>Total Revenues</b>	<b><u>\$58,636</u></b>	<b><u>\$239,352</u></b>	<b><u>\$333,810</u></b>
<b><u>EXPENSES (Schedule 7)</u></b>			
Administration	\$33,500	\$49,214	\$41,101
School Programs	5,136	198,897	151,959
Inclusive Schooling	0	73,333	31,935
Indigenous Language and Education	20,000	24,981	50,208
<b>Total Expenses</b>	<b><u>\$58,636</u></b>	<b><u>\$346,425</u></b>	<b><u>\$275,202</u></b>
<b>Operating Surplus/(Deficit)</b>	<b><u>\$0</u></b>	<b><u>(\$107,074)</u></b>	<b><u>\$58,608</u></b>
<b>Fund Balance at beginning of year</b>		<b><u>150,664</u></b>	<b><u>92,056</u></b>
<b>Fund Balance at end of year</b>		<b><u>\$43,590</u></b>	<b><u>\$150,664</u></b>

**FORT RESOLUTION DISTRICT EDUCATION AUTHORITY**  
**SCHEDULE OF EXPENSES**  
**For the Year Ended June 30, 2019**

School Programs	Inclusive Schooling	Admin.	Indigenous Language	Fiscal & Transfers	Total
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**Salaries**

Teachers					\$0
Instruction Assistants					\$0
Non-Instructional Staff	\$36,585	\$73,333			\$109,918
Board/Trustee Honoraria		\$9,975	\$125		\$10,100

**Employee Benefits**

Employee Benefits/Allowances					\$0
Leave & Termination Benefits					\$0

**Services Purchased/Contracted**

Professional/Technical Services	\$2,815				\$2,815
Postage/Communication		\$6,332			\$6,332
Utilities	\$2,200	\$90			\$2,290
Travel	\$5,387		\$1,050		\$6,437
Student Travel	\$9,097				\$9,097
Advertising/Printing/Publishing		\$5,563			\$5,563
Maintenance/Repair					\$0
Rentals/Leases	\$30,030	\$2,812			\$32,842
Contracted Services	\$35,481		\$14,600		\$50,081

**Materials/Supplies/Freight**

Materials	\$76,140	\$24,441	\$9,187		\$109,768
Freight	\$1,162		\$19		\$1,181

**Total**

<b>\$198,897</b>	<b>\$73,333</b>	<b>\$49,214</b>	<b>\$24,981</b>	<b>\$0</b>	<b>\$346,425</b>
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**LUTSEL K'E DISTRICT EDUCATION AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
as at June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$0	\$8,906
Other Accounts Receivable (net)	24,418	4,800
<b>Total Financial Assets</b>	<b><u>24,418</u></b>	<b><u>13,706</u></b>
<b><u>Liabilities</u></b>		
Bank Indebtedness	\$22,612	\$0
Deferred Revenue	4,750	0
Accounts Payable & Accrued Liabilities	3,016	245
<b>Total Liabilities</b>	<b><u>30,378</u></b>	<b><u>245</u></b>
<b>Net Financial Resources</b>	<b><u>(\$5,960)</u></b>	<b><u>\$13,460</u></b>
<b>Fund Balance</b>	<b><u>(\$5,960)</u></b>	<b><u>\$13,460</u></b>

**LUTSEL K'E DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF OPERATIONS**  
For the Year Ended June 30, 2019

	<u>2019 Budget</u> <u>(unaudited)</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
Regular ECE Contributions	\$93,153	\$93,153	\$100,806
Other ECE Contributions	0	750	62,807
<b>Total ECE Contributions</b>	<u>\$93,153</u>	<u>\$93,903</u>	<u>\$163,613</u>
Other GNWT Contributions	\$0	\$38,036	\$21,636
<b>Total GNWT Contributions</b>	<u>\$93,153</u>	<u>\$131,939</u>	<u>\$185,249</u>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$21,221	\$0
Other Government of Canada	0	0	0
<b>Total Government of Canada Contributions</b>	<u>\$0</u>	<u>\$21,221</u>	<u>\$0</u>
<b>Generated Funds</b>			
Investment Income	\$0	\$0	\$0
Donations	0	46,395	59,790
Other	0	5,000	17,050
<b>Total Generated Funds</b>	<u>\$0</u>	<u>\$51,395</u>	<u>\$76,840</u>
<b>Total Revenues</b>	<u>\$93,153</u>	<u>\$204,555</u>	<u>\$262,089</u>
<b><u>EXPENSES (Schedule 7)</u></b>			
Administration	\$43,556	\$32,877	\$31,263
School Programs	36,097	121,218	139,221
Inclusive Schooling	0	25,047	3,889
Indigenous Language and Education	13,500	44,833	82,114
<b>Total Expenses</b>	<u>\$93,153</u>	<u>\$223,975</u>	<u>\$256,486</u>
<b>Operating Surplus/(Deficit)</b>	<u>\$0</u>	<u>(\$19,420)</u>	<u>\$5,603</u>
<b>Fund Balance at beginning of year</b>		<u>13,460</u>	<u>7,857</u>
<b>Fund Balance at end of year</b>		<u>(\$5,960)</u>	<u>\$13,460</u>

**LUTSEL K'E DISTRICT EDUCATION AUTHORITY**  
**SCHEDULE OF EXPENSES**  
For the Year Ended June 30, 2019

School Programs	Inclusive Schooling	Admin.	Indigenous Language	Fiscal & Transfers	Total
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**Salaries**

Teachers					\$0
Instruction Assistants	\$11,161				\$11,161
Non-Instructional Staff					\$0
Board/Trustee Honoraria		\$8,097			\$8,097

**Employee Benefits**

Employee Benefits/Allowances					\$0
Leave & Termination Benefits					\$0

**Services Purchased/Contracted**

Professional/Technical Services					\$0
Postage/Communication	\$1,668		\$1,566	\$289	\$3,523
Utilities					\$0
Travel	\$500		\$482	\$2,422	\$3,404
Student Travel	\$19,757				\$19,757
Advertising/Printing/Publishing	\$1,795				\$1,795
Maintenance/Repair	\$1,166	\$1,166	\$1,166	\$2,108	\$5,606
Rentals/Leases	\$2,118	\$1,518	\$2,189	\$4,368	\$10,194
Contracted Services	\$18,663	\$1,090	\$9,300	\$21,520	\$50,573

**Materials/Supplies/Freight**

Materials	\$63,774	\$10,112	\$7,884	\$14,125	\$95,896
Freight	\$11,778		\$2,193		\$13,971

<b>Total</b>	<b>\$121,218</b>	<b>\$25,047</b>	<b>\$32,877</b>	<b>\$44,833</b>	<b>\$0</b>	<b>\$223,975</b>
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**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b><u>Financial Assets</u></b>		
Cash and Cash Equivalents	\$9,717,144	\$7,382,960
Due from the GNWT	171,677	101,157
Other Accounts Receivable	166,283	99,712
	<u>                    </u>	<u>                    </u>
<b>Total Financial Assets</b>	<b><u>\$10,055,104</u></b>	<b><u>\$7,583,829</u></b>
<b><u>Liabilities</u></b>		
<b>Current</b>		
Accounts Payable and Accrued Liabilities	\$46,607	\$86,748
Due to the GNWT	(10,310)	39,446
Payroll Liabilities	2,935,003	989,548
Deferred Revenue	14,520	27,272
Post-Employment Benefits	3,023,696	3,561,071
	<u>                    </u>	<u>                    </u>
<b>Total Liabilities</b>	<b><u>\$6,009,516</u></b>	<b><u>\$4,704,084</u></b>
<b>Net Financial Resources</b>	<b><u>\$4,045,588</u></b>	<b><u>\$2,879,745</u></b>
<b><u>Non-Financial Assets</u></b>		
Prepaid Expenses (Note 20)	\$0	\$0
	<u>                    </u>	<u>                    </u>
<b>Accumulated Fund Balance</b>	<b><u>\$4,045,588</u></b>	<b><u>\$2,879,745</u></b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
Annual Surplus/(Deficit) (Schedule 19)	\$1,165,843	\$1,453,053
Prior Year Adjustments	<u>0</u>	<u>0</u>
<b>Increase/(Decrease) in Net Financial Resources</b>	<b>\$1,165,843</b>	<b>\$1,453,053</b>
Opening net Financial Resources	<u>2,879,745</u>	<u>1,426,692</u>
Closing Net Financial Resources	<u><u>\$4,045,588</u></u>	<u><u>\$2,879,745</u></u>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
NON-CONSOLIDATED STATEMENT OF OPERATIONS  
For the Year Ended June 30, 2019**

	<b>2019 Budget (unaudited)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b><u>REVENUES</u></b>			
<b>ECE Contributions</b>			
Regular ECE Contributions	\$24,754,493	\$25,485,428	\$25,671,174
Other ECE Contributions	368,000	788,094	1,094,716
<b>Total ECE Contributions</b>	<b>\$25,122,493</b>	<b>\$26,273,522</b>	<b>\$26,765,890</b>
Other GNWT Contributions	\$534,000	\$44,578	\$55,658
<b>Total GNWT Contributions</b>	<b>\$25,656,493</b>	<b>\$26,318,100</b>	<b>\$26,821,548</b>
<b>Government of Canada Contributions</b>			
Jordan's Principle	\$0	\$73,280	\$0
Other Government of Canada	\$0	\$0	0
<b>Total Government of Canada Contributions</b>	<b>\$0</b>	<b>\$73,280</b>	<b>\$0</b>
<b>Other Education Bodies</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Generated Funds</b>			
Investment Income	\$80,000	\$165,867	\$100,159
Non-GNWT Contributions	0	81,176	123,314
Donations	0	0	3
Other	0	75,324	44,529
<b>Total Generated Funds</b>	<b>\$80,000</b>	<b>\$322,368</b>	<b>\$268,004</b>
<b>Total Revenues</b>	<b>\$25,736,493</b>	<b>\$26,713,747</b>	<b>\$27,089,552</b>
<b><u>EXPENSES</u></b>			
Administration	\$2,196,201	\$1,957,185	\$1,902,266
School Programs	15,507,116	14,679,033	14,986,170
Inclusive Schooling	5,109,053	5,395,008	5,048,807
Indigenous Language and Education	1,769,609	1,812,065	2,135,186
Transfers to DEAs	1,376,228	1,704,613	1,564,070
<b>Total Expenses</b>	<b>\$25,958,207</b>	<b>\$25,547,904</b>	<b>\$25,636,499</b>
<b>Operating Surplus/(Deficit)</b>	<b>(\$221,714)</b>	<b>\$1,165,843</b>	<b>\$1,453,053</b>
<b>Fund Balance at beginning of year</b>		<b>2,879,745</b>	<b>1,426,692</b>
<b>Fund Balance at end of year</b>		<b>\$4,045,588</b>	<b>\$2,879,745</b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL**  
**SCHEDULE OF EXPENSES**  
**(Non-Consolidated)**  
**For the Year Ended June 30, 2019**

	<b>School Programs</b>	<b>Inclusive Schooling</b>	<b>Admin.</b>	<b>Indigenous Language</b>	<b>Fiscal &amp; Transfers</b>	<b>Total</b>
<b>Salaries</b>						
Teachers	\$12,703,826	\$2,167,328		\$1,123,812		\$15,994,965
Instruction Assistants		\$2,309,882		\$255,412		\$2,565,295
Non-Instructional Staff	\$1,624,466	\$267,874	\$1,265,263	\$75,898		\$3,233,501
Board/Trustee Honoraria			\$5,800	\$5,630		\$11,430
<b>Employee Benefits</b>						
Employee Benefits/Allowances	\$158,811	\$66,583	\$10,613	\$21,307		\$257,315
Leave & Termination Benefits	(\$237,930)	\$121,943	\$9,988	\$39,022		-\$66,977
<b>Services Purchased/Contracted</b>						
Professional/Technical Services	\$107,170	\$79,690	\$39,035	\$9,142		\$235,036
Postage/Communication			\$26,807	(\$216)		\$26,590
Utilities						\$0
Travel	\$123,328	\$146,978	\$93,625	\$86,802		\$450,733
Student Travel						\$0
Advertising/Printing/Publishing	\$2,387	\$3,635	\$5,743	\$46,294		\$58,059
Maintenance/Repair			\$69,417			\$69,417
Rentals/Leases		\$673	\$177,020			\$177,693
Contracted Services	\$82,400	\$31,304	\$1,125	\$83,461		\$198,290
<b>Materials/Supplies/Freight</b>						
Materials	\$98,717	\$190,881	\$247,860	\$62,839		\$600,297
Freight	\$858	\$8,237	\$4,888	\$2,664		\$16,648
<b>Transfers to DEA's</b>						
	\$15,000				\$1,704,613	\$1,719,613
<b>Total</b>	<b>\$14,679,033</b>	<b>\$5,395,008</b>	<b>\$1,957,185</b>	<b>\$1,812,065</b>	<b>\$1,704,613</b>	<b>\$25,547,904</b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
 SCHEDULE OF SPECIFIC PROGRAM EXPENSES  
 INCLUSIVE SCHOOLING  
 For the Year Ended June 30, 2019**

	<b>General Expenditures</b>	<b>Staff Development</b>	<b>Assistive Technology</b>	<b>Magnet Facilities</b>	<b>Total</b>
<b>Salaries</b>					
Regional Coordinator	\$162,706				\$162,706
Program Support Teachers	\$1,727,327	\$169,338		\$242,315	\$2,138,981
Support Assistants	\$2,832,203				\$2,832,203
<b>Employee Benefits</b>					
Employee Benefits/Allowances *	\$188,526				\$188,526
<b>Services Purchased/Contracted</b>					
Professional/Technical Services	\$79,690				\$79,690
Travel		\$146,978			\$146,978
Student Transportation (Bussing)	\$1,904				\$1,904
Advertising/Printing/Publishing	\$3,635				\$3,635
Maintenance/Repair	\$1,166				\$1,166
Rentals/Leases	\$2,191				\$2,191
Contracted Services	\$30,490				\$30,490
<b>Materials/Supplies/Freight</b>					
Materials	\$212,296	\$2,251	\$36,945		\$251,491
Freight			\$8,237		\$8,237
<b>Total</b>	<b>\$5,242,133</b>	<b>\$318,567</b>	<b>\$45,182</b>	<b>\$242,315</b>	<b>\$5,848,196</b>

\* From Schedule 20

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENSES  
INDIGENOUS LANGUAGE AND EDUCATION  
For the Year Ended June 30, 2019**

	<b>Student Instruction</b>	<b>Teaching Resources</b>	<b>Professional Development</b>	<b>School ** Activities</b>	<b>Total</b>
<b>Salaries</b>					
ALCBE Teachers	\$1,095,738		\$28,073		\$1,123,811
Language Consultants		\$75,898			\$75,898
Instruction Assistants	\$255,412			\$25,739	\$281,151
Non-Instructional Staff					\$0
Honoraria		\$5,630		\$9,800	\$15,430
<b>Employee Benefits</b>					
Employee Benefits/Allowances *	\$60,329				\$60,329
<b>Services Purchased/Contracted</b>					
Professional/Technical Services		\$9,142			\$9,142
Travel			\$86,802	\$4,089	\$90,891
Student Transportation (Bussing)					\$0
Advertising/Printing/Publishing		\$46,294			\$46,294
Maintenance/Repair				\$3,570	\$3,570
Rentals/Leases				\$4,368	\$4,368
Contracted Services		\$83,461		\$36,520	\$119,981
<b>Materials/Supplies/Freight</b>					
Materials		\$62,472	\$150	\$258,975	\$321,597
Freight		\$2,664		\$19	\$2,683
<b>Total</b>	<b>\$1,411,479</b>	<b>\$285,561</b>	<b>\$115,025</b>	<b>\$343,080</b>	<b>\$2,155,145</b>

\* from Schedule 20

\*\* from respective DEA schedules

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES  
FRENCH LANGUAGE  
For the Year Ended June 30, 2019**

	<b>Contributions July 1, 2018 to June 30, 2019</b>	<b>SSDEC Commitment July 1, 2018 to June 30, 2019</b>	<b>Total Expenses July 1, 2018 to June 30, 2019</b>	<b>Under/(Over) Funding</b>
<b>Bilateral Agreement Funding</b>				
Core French 1-12 (salary)	\$193,000	\$234,000	\$391,627	\$35,373
Immersion Pioneer Class (salary)	70,000	\$50,000	\$530,439	(\$410,439)
Resources	10,000	\$5,000	\$7,557	\$7,443
Partnership with YK1	15,000			\$15,000
French Monitor		\$6,000	\$28,287	(\$22,287)
Professional Development		\$5,000	\$3,940	\$1,060
French Language Communications				
Intensive French: Salary	49,200	\$32,800	\$393,849	(\$311,849)
Intensive French: Camp				\$0
Intensive French: Resources	6,000	\$2,400	\$12,000	(\$3,600)
Intensive French: Training/Visits	3,600	\$4,000	\$6,152	\$1,448
<b>Totals</b>	<b>\$346,800</b>	<b>\$339,200</b>	<b>\$1,373,849</b>	<b>(\$687,849)</b>

Schedule 24

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES  
NWT STUDENT SUCCESS INITIATIVE - PROFESSIONAL DEVELOPMENT  
For the Period July 1, 2018 to June 30, 2019**

Revenue

Education, Culture and Employment	\$55,000
NWTTA	70,650
<b>Total Revenue</b>	<b>\$125,650</b>

Expenditures

Salaries/Wages

Salaries	\$996,694
Facilitator's Fees	\$177,176
Substitute Teachers Wages	\$418

Travel

Facilitator Travel	\$16,205
Staff Travel	\$17,016
Accommodation	\$10,865
Per Diems	\$7,891

Workshop Expenses

Room Rental	
Tuition	\$982
Refreshments	\$1,556
Resources	\$113,718
Miscellaneous	\$2,347

<b>Total Expenses</b>	<b>\$1,344,868</b>
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<b>Net Surplus/(Deficit)</b>	<b>(\$1,219,218)</b>
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**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES  
INDIGENOUS LANGUAGES EDUCATION (Contributions)  
For the Year Ended June 30, 2019**

	<b>July 1, 2018 to March 31, 2019</b>	<b>April 1, 2019 to June 30, 2019</b>	<b>Total 2017/18</b>
<b>Revenues</b>			
Funding Received	\$132,000		\$132,000
<b>Total Funding</b>	<b>\$132,000</b>	<b>\$0</b>	<b>\$132,000</b>
<b>Expenditures</b>			
Wages & Benefits	\$77,836		\$77,836
Materials & Supplies	\$22,847		\$22,847
Travel	\$33,775		\$33,775
<b>Total Expenditures</b>	<b>\$134,458</b>	<b>\$0</b>	<b>\$134,458</b>
<b>Surplus/(Deficit)</b>	<b>(\$2,458)</b>	<b>\$0</b>	<b>(\$2,458)</b>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES  
NORTHERN DISTANCE LEARNING  
For the Year Ended June 30, 2019**

	<b>Budget 2018/19</b>	<b>July 1, 2018 to March 31, 2019</b>	<b>April 1, 2019 to June 30, 2019</b>	<b>Total 2018/19</b>
<b>Revenues</b>				
Education, Culture & Employment	\$35,091	\$22,109	\$12,982	\$35,091
Other				\$0
<b>Total Funding</b>	<b>\$35,091</b>	<b>\$22,109</b>	<b>\$12,982</b>	<b>\$35,091</b>
<b>Expenditures</b>				
Support Persons	\$15,000	\$15,000		\$15,000
Network Charges	\$20,091			\$0
<b>Total Expenditures</b>	<b>\$35,091</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$15,000</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$7,109</b>	<b>\$12,982</b>	<b>\$20,091</b>

The SSDEC has only one community (Fort Resolution) participating

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL  
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES  
Jordan's Principle  
For the Year Ended June 30, 2019**

	June 30, 2019 Budget	June 30, 2019 Actual	June 30, 2018 Actual
<b>Revenue</b>			
Government of Canada			
- First Nations and Inuit Health Branch	\$186,245	\$992,312	\$0
Carry Forward from Previous Year		\$0	\$0
<b>Total Revenue</b>	<b>\$186,245</b>	<b>\$992,312</b>	<b>\$0</b>
<b>Expenditures</b>			
Administration			
Personnel	\$105,245	\$324,565	
Transportation	\$17,000	\$5,854	
Materials and Supplies		\$18,252	
Rent and Utilities			
Evaluation			
Other	\$64,000	\$60,713	
<b>Total Expenditures</b>	<b>\$186,245</b>	<b>\$409,384</b>	<b>\$0</b>
<b>Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$582,928</b>	<b>\$0</b>
<b>Deferred Revenue</b>	<b>\$0</b>	<b>\$582,928</b>	<b>\$0</b>

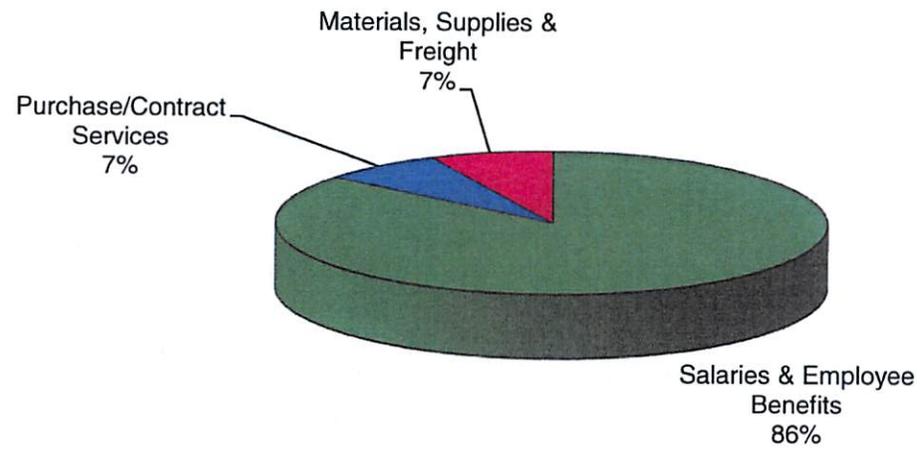
Schedule 28

**South Slave Divisional Education Council  
2018/19 Fund Balances  
(Unaudited)**

	<u>SSDEC</u>	<u>Fort Smith</u>	<u>Hay River</u>	<u>K'atłodeeche</u>	<u>Fort Resolution</u>	<u>Lutsel K'e</u>	
Fund Balances as per audited Financial Statements	\$4,045,588	\$78,906	\$159,111	\$20,044	\$43,590	(\$5,960)	\$295,690
less: Staffing Surpluses							
- Lutsel K'e Dene School	\$82,954						
- Paul William Kaeser	\$203,562						
- Harry Camsell	\$41,373						
- Joseph Burr Tyrrell	\$159,401						
- Chief Sunrise	\$45,133						
- Princess Alexandra	\$96,483						
- Diamond Jenness Secondary School	\$164,817						
- Deninu School	<u>\$102,811</u>						
							(\$896,534)
Commitments against surpluses							
- Council Office							
- Fort Resolution DEA plan							
- Lutsel K'e DEA plan							
- K'atłodeeche plan							
- Hay River DEA plan							
- Fort Smith plan							
Uncommitted Fund Balance	<u>\$3,149,054</u>	<u>\$78,906</u>	<u>\$159,111</u>	<u>\$20,044</u>	<u>\$43,590</u>	<u>(\$5,960)</u>	
2019/20 contributions from SSDEC		<u>\$567,769</u>	<u>\$679,979</u>	<u>\$92,500</u>	<u>\$123,019</u>	<u>\$113,322</u>	
Fund Balance percentage *		<u>13.90%</u>	<u>23.40%</u>	<u>21.67%</u>	<u>35.43%</u>	<u>-5.26%</u>	
* Calculated as per SSDEC policy DFAA - Financial Surplus maximum SSDEC fund balance as per policy DFAA - Financial Surplus							<b>\$1,869,962</b>

Salaries & Employee Benefits	\$22,721,942
Purchase/Contract Services	\$1,925,870
Materials, Supplies & Freight	\$1,915,309
Total	\$26,563,121

**South Slave Divisional Education Council  
Details of Expenditures  
For the Year Ended June 30, 2019**



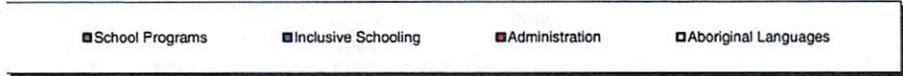
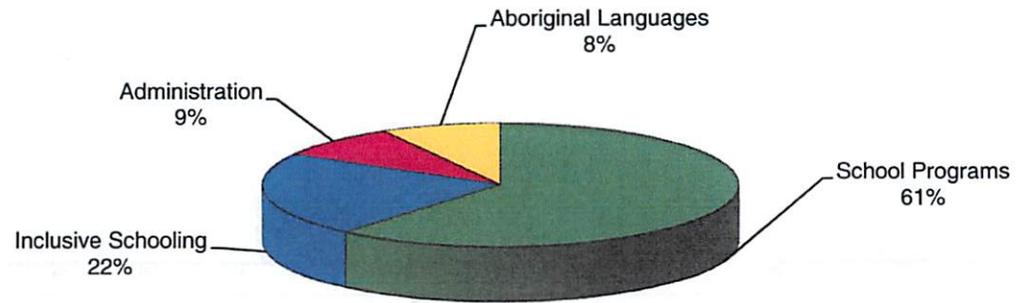
■ Salaries & Employee Benefits

■ Purchase/Contract Services

■ Materials, Supplies & Freight

School Programs	\$16,260,023
Inclusive Schooling	\$5,848,196
Administration	\$2,299,757
Aboriginal Languages	\$2,155,145
Total	\$26,563,121

**South Slave Divisional Education Council  
Expenditures by Function  
For the Year Ended June 30, 2019**





South Slave District Education Council  
Consolidation Income Statement  
for the Year Ended June 30, 2019

	SSDEC	Hay River DEA	Fort Res DEA	Fort Smith DEA	Hay River Res DEA	Lutsel Ke DEA	Prior to Consolidation	#1 (transfers)	#2 K'atodeeche	#3 Fort Res	Adjustments #4 Hay River	#5 Fort Smith	#6 Lutsel Ke	Consolidated Total	Note
<b>Revenue</b>															
<b>ECE</b>															
Regular Contributions	\$25,485,428	\$645,673	\$58,636	\$543,776	\$59,990	\$93,153	\$26,888,656	(\$1,376,228)						\$25,510,428	
Other Contributions	\$788,094	\$247,432	\$49,232	\$47,699	\$32,814	\$750	\$1,166,020	(\$46,820)	(\$31,535)	(\$16,629)	(\$247,432)	(\$879)		\$822,725	
<b>Total ECE</b>	<b>\$26,273,522</b>	<b>\$893,105</b>	<b>\$107,868</b>	<b>\$591,475</b>	<b>\$92,804</b>	<b>\$93,903</b>	<b>\$28,052,676</b>	<b>(\$1,423,048)</b>	<b>(\$31,535)</b>	<b>(\$16,629)</b>	<b>(\$247,432)</b>	<b>(\$879)</b>	<b>\$0</b>	<b>\$26,333,153</b>	
Other GNWT Contributions	\$44,576	\$18,051	\$32,686	\$36,000	\$29,824	\$38,036	\$199,174							\$199,174	
<b>Total GNWT Contributions</b>	<b>\$26,318,100</b>	<b>\$911,156</b>	<b>\$140,554</b>	<b>\$627,475</b>	<b>\$122,627</b>	<b>\$131,939</b>	<b>\$28,251,851</b>	<b>(\$1,423,048)</b>	<b>(\$31,535)</b>	<b>(\$16,629)</b>	<b>(\$247,432)</b>	<b>(\$879)</b>	<b>\$0</b>	<b>\$26,532,326</b>	
Other Education Bodies	\$0						\$0							\$0	
<b>Government of Canada Contributions</b>															
Jordan's Principle	\$73,280	\$208,207	\$71,909	\$0	\$34,768	\$21,221	\$409,384							\$409,384	
Other Government of Canada	\$0	\$0	\$0	\$0	\$0	\$0	\$0							\$0	
<b>Total Government of Canada Contributions</b>	<b>\$73,280</b>	<b>\$208,207</b>	<b>\$71,909</b>	<b>\$0</b>	<b>\$34,768</b>	<b>\$21,221</b>	<b>\$409,384</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$409,384</b>	
<b>Generated Funds</b>															
Investment Income	\$165,867	\$458	\$239	\$898	\$3		\$167,464							\$167,464	
Non-GNWT Contributions	\$81,176						\$81,176							\$81,176	
Donations	\$0				\$2,220	\$46,395	\$48,615							\$48,615	
Other	\$75,324	\$72,261	\$26,650	\$127,287	\$15,776	\$5,000	\$322,298							\$322,298	
<b>Total Generated Funds</b>	<b>\$322,368</b>	<b>\$72,719</b>	<b>\$26,889</b>	<b>\$128,184</b>	<b>\$17,999</b>	<b>\$51,395</b>	<b>\$619,554</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$619,554</b>	
<b>Total Revenue</b>	<b>\$26,713,747</b>	<b>\$1,182,082</b>	<b>\$239,352</b>	<b>\$755,659</b>	<b>\$175,394</b>	<b>\$204,555</b>	<b>\$29,260,789</b>	<b>(\$1,423,048)</b>	<b>(\$31,535)</b>	<b>(\$16,629)</b>	<b>(\$247,432)</b>	<b>(\$879)</b>	<b>\$0</b>	<b>\$27,561,266</b>	
<b>Expenses</b>															
Administration	\$1,957,185	\$121,694	\$49,214	\$114,205	\$24,582	\$32,877	\$2,299,759		(\$3,535)	(\$1,629)		(\$879)		\$2,293,716	
School Programs	\$14,679,033	\$673,716	\$198,897	\$486,620	\$120,447	\$121,218	\$16,279,930	\$1,133		(\$15,000)				\$16,268,063	
Inclusive Schooling	\$5,395,008	\$269,543	\$73,333	\$50,497	\$34,768	\$25,047	\$5,848,196							\$5,848,198	
Indigenous Language and Education	\$1,812,065	\$107,495	\$24,981	\$134,593	\$26,180	\$44,833	\$2,150,145	\$5,000						\$2,155,145	
Transfers to DEAs	\$1,704,613						\$1,704,613	(\$1,420,181)	(\$28,000)		(\$247,432)			\$0	
<b>Total Expenses</b>	<b>\$25,547,904</b>	<b>\$1,172,448</b>	<b>\$346,425</b>	<b>\$785,914</b>	<b>\$205,976</b>	<b>\$223,975</b>	<b>\$28,282,643</b>	<b>(\$1,423,048)</b>	<b>(\$31,535)</b>	<b>(\$16,629)</b>	<b>(\$247,432)</b>	<b>(\$879)</b>	<b>\$0</b>	<b>\$28,563,121</b>	
Operating Surplus/(Deficit) for the year	\$1,165,843	\$19,634	(\$107,074)	(\$30,255)	(\$30,582)	(\$19,420)	\$98,146							\$98,146	
Fund Balance, beginning of the year	\$2,879,745	\$139,477	\$150,664	\$110,359	\$50,626	\$13,460	\$3,344,331							\$3,344,331	
Fund Balance, end of the year	\$4,045,588	\$159,111	\$43,590	\$76,906	\$20,044	(\$5,960)	\$4,341,279	\$0	\$0	\$0	\$0	\$0	\$0	\$4,341,279	

South Slave District Education Council  
Consolidation Income Statement - Budget  
for the Year Ended June 30, 2019

	<u>SSDEC</u>	Hay River DEA	Fort Res DEA	Fort Smith DEA	Hay River Res DEA	Lutsel K'e DEA	Prior to Consolidation	#1 (transfers)	Adjustments #2	#3	#4	Consolidated Total	Note
<b>Revenue</b>													
ECE													
Regular Contributions	\$24,754,493	\$645,673	\$58,636	\$543,776	\$59,990	\$93,153	\$26,155,721	(\$1,376,228)				\$24,779,493	
Other GNWT Contributions	\$534,000	\$18,051	\$32,686	\$36,000	\$29,824	\$38,036	\$688,597					\$688,597	
Other ECE Contributions	\$368,000	\$0	\$0	\$0	\$0	\$0	\$368,000					\$368,000	
<b>Total ECE</b>	<b>\$25,656,493</b>	<b>\$663,724</b>	<b>\$91,322</b>	<b>\$579,776</b>	<b>\$89,814</b>	<b>\$131,189</b>	<b>\$27,212,318</b>	<b>(\$1,376,228)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,836,090</b>	
<b>Government of Canada Contributions</b>													
Jordan's Principle	\$0	\$0	\$0	\$0	\$0	\$0	\$0					\$0	
Other Government of Canada Contributions	0	0	0	0	0	0	\$0					\$0	
<b>Total Government of Canada Contributions</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Generated Funds</b>													
Investment Income	\$80,000	\$0	\$0	\$400	\$0	\$0	\$80,400					\$80,400	
Non-GNWT Contributions	\$0						\$0					\$0	
Donations	\$0						\$0					\$0	
Other	\$0	\$17,501	\$0	\$48,000	\$0	\$0	\$65,501					\$65,501	
<b>Total Generated Funds</b>	<b>\$80,000</b>	<b>\$17,501</b>	<b>\$0</b>	<b>\$48,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$145,901</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$145,901</b>	
<b>Total Revenue</b>	<b>\$25,736,493</b>	<b>\$681,225</b>	<b>\$91,322</b>	<b>\$628,176</b>	<b>\$89,814</b>	<b>\$131,189</b>	<b>\$27,358,219</b>	<b>(\$1,376,228)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,981,991</b>	
<b>Expenses</b>													
Administration	\$2,196,201	\$120,476	\$33,500	\$69,600	\$31,600	\$43,556	\$2,494,933					\$2,494,933	
School Programs	\$15,607,116	\$380,797	\$5,136	\$406,475	\$13,900	\$36,097	\$16,349,621					\$16,349,621	
Inclusive Schooling	\$5,109,053	\$45,230	\$0	\$33,460	\$0	\$0	\$5,187,743					\$5,187,743	
Indigenous Language and Education	\$1,769,609	\$116,671	\$20,000	\$100,186	\$26,021	\$13,500	\$2,045,967					\$2,045,967	
Transfers to DEAs	\$1,376,228						\$1,376,228	(\$1,376,228)				\$0	
<b>Total Expenses</b>	<b>\$25,958,207</b>	<b>\$663,174</b>	<b>\$58,636</b>	<b>\$609,701</b>	<b>\$71,521</b>	<b>\$93,153</b>	<b>\$27,454,392</b>	<b>(\$1,376,228)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,078,164</b>	
<b>Surplus/(Deficit) for the year</b>	<b>(\$221,714)</b>	<b>\$18,051</b>	<b>\$32,686</b>	<b>\$18,475</b>	<b>\$18,293</b>	<b>\$38,036</b>	<b>(\$96,173)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$96,173)</b>	

**Yellowknife Catholic Schools  
(Yellowknife Public Denominational  
District Education Authority)**

**Consolidated Financial Statements**

**June 30, 2019**

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**Yellowknife Catholic Schools**  
**(Yellowknife Public Denominational District Education Authority)**

**Consolidated Financial Statements**

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Yellowknife Catholic Schools  
(Yellowknife Public Denominational District  
Education Authority)

Annual Financial Report

June 30, 2019

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# Yellowknife Catholic Schools

## 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, 2019 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 2019-2020 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 2019-2020 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 Revi Lau-a, Lori MacMillian Gallant, Candace Meadus, Tina Schauerte 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 during the 2018-2019 school year consisted of Claudia Parker– Superintendent; Simone Gessler– Assistant Superintendent – Learning and Janet Toner – Assistant Superintendent – Business. On August 1, 2019, Simone Gessler became the Superintendent after Claudia Parker's retirement.

The principal at École St. Patrick High School is Todd Stewart. The principal at Weledeh Catholic School is Jenny Reid and the principal at École St. Joseph School is Pat Sullivan.

## Student and Teacher Population

The following is the student enrolment as of September 30<sup>th</sup> and the teachers that were employed as of September 30, 2018.

	Enrolment	Teachers	Pupil/Teacher Ratio
École St Patrick High School	481	29	17
Weledeh Catholic School	352	21	16
École St Joseph School	561	36	16
KCTC	0	4	0
TTC	0	1	0
	<u>1,394</u>	<u>91</u>	<u>15</u>

There was a total of 90 staff at YCS as of June 2019.



# 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 21<sup>st</sup> 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.



# Yellowknife Catholic Schools

## **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 \$6,682,134 on June 30, 2019 (prior year - \$6,348,211) and indicates a good cash flow. The financial assets position at June 30, 2019 was \$7,779,524 (prior year - \$6,579,461).

#### **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 \$102,874 during the year and is for a debenture on the Tallah building. Rental revenue for the Tallah building will more than cover the net financial debt.

The Consolidated Statement of Financial Position has a subtotal called "Net surplus (debt)". This line is an indicator of the ability to discharge all of the entity's surplus (debt) with financial assets. This year the net surplus is \$1,855,368 compared to the prior year with a net surplus of \$650,738. It indicates that YCS has sufficient assets to pay off all debt at year end.

#### **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 \$41,303,992 to \$39,813,493 which mainly reflects the change in the value of the tangible capital assets owned by Yellowknife Catholic Schools.

The \$1,495,223 decrease in tangible capital assets relates to depreciation of tangible capital assets for this fiscal year partially offset by the additional of the soccer field at École St Patrick High School and Weledeh Catholic School.

#### **Accumulated Surplus**

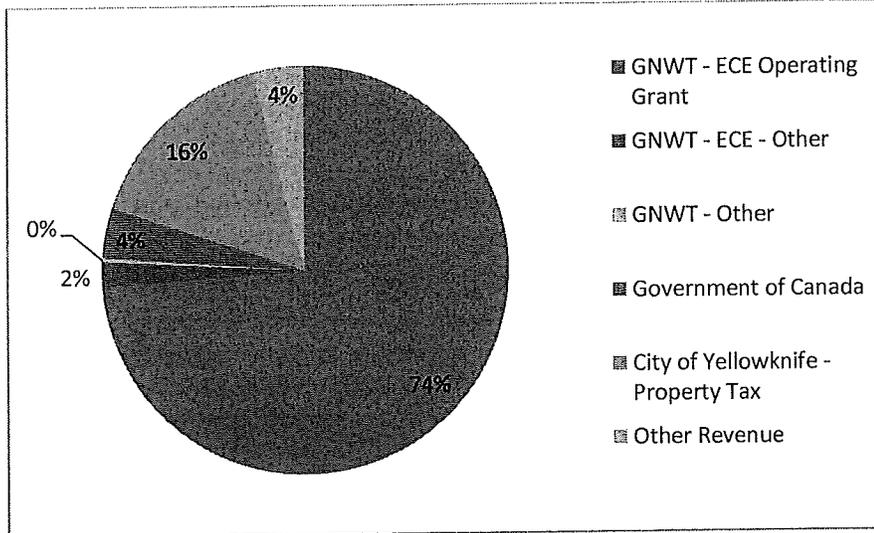
Accumulated surplus is equal to the difference between non-financial assets and net debt. Accumulated surplus represents the equity that YCS has generated in the last 68 years. The largest component of accumulated surplus is the Investment in Tangible Capital Assets. A further breakdown of accumulated surplus can be found on the Consolidated Statement of Accumulated Surplus.



# Yellowknife Catholic Schools

## Highlights of YCS Operations

### Operating Revenue



### Operating Revenue

The majority of the funding (74%) 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. In total 76% of the revenue is from the Government of Northwest Territories.

During the year, Yellowknife Catholic Schools received funding from Jordan's Principle – Government of Canada. Jordan's Principle is funding to help support indigenous students so they can access the products, services and supports they need, when they need them.

YCS also generates revenue from property taxes – 16% of revenue. The City of Yellowknife collects property tax revenue on our behalf. Other GNWT funding includes contribution agreement funding for: French language programs, active after-school programs and for the development of materials for indigenous languages.

Board generated funds include donations, bus pass sales, after school program 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.



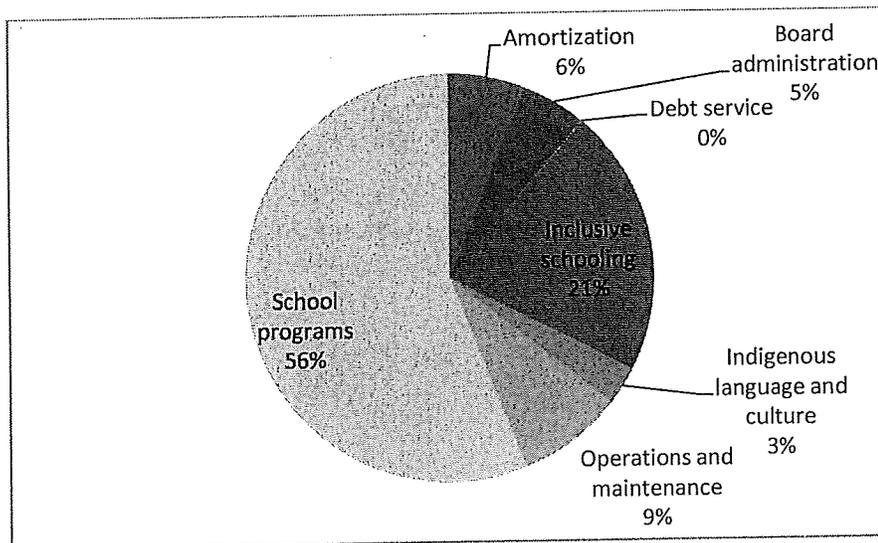
# Yellowknife Catholic Schools

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.

## 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





# Yellowknife Catholic Schools

## Expenditures – By Program

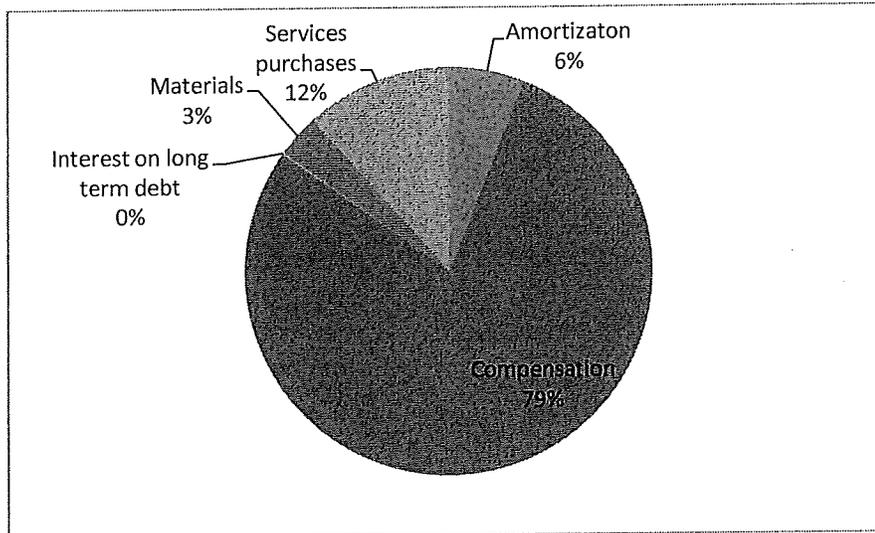
Program categories for YCS are:

- Indigenous 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 indigenous language and culture camps.
- Board Administration (5%): Includes salary and benefits for central services administrative and technology staff, honoraria for trustees, audit and legal fees, travel costs, advertising and publishing costs. The expenses related to the fire are also included in the board administration this year.
- Debt service: Relates to interest on long-term debt for the repayment of debentures for the Tallah Building. Debenture repayments for the Tallah building are mostly funded through lease payments from Aurora College.
- Inclusive schooling (21%): 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. The inclusive
- Operations and maintenance (9%): 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 (56%): 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 (6%): 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 (12%): Include busing, janitorial services, insurance services, security services and snow removal.
- Materials/freight (3%): Include expenses for material and freight of goods.
- Amortization (6%): 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 Tallah building debenture.



# Yellowknife Catholic Schools

## Operating Deficit

At the end of the year, there was an operating surplus of \$2,266,834.

## Summary of Accumulated Surplus

	Opening	Increase (Decrease)	Closing
Operating fund surplus	\$ 988,200	\$ 1,278,634	\$ 2,266,834
Investment in tangible capital assets	40,513,307	(1,392,353)	39,120,954
Decentralized budget accumulated surplus	453,223	(172,150)	281,073
	<u>41,954,730</u>	<u>(285,869)</u>	<u>41,668,861</u>

The operating fund surplus increased by \$1,278,634 during the year. This was mainly due to changes in the tangible capital assets, increased funding from Government of Northwest Territories and new funding from Jordan's Principle.

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 the debenture on the Tallah Building and offset by the development of the soccer field.

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.



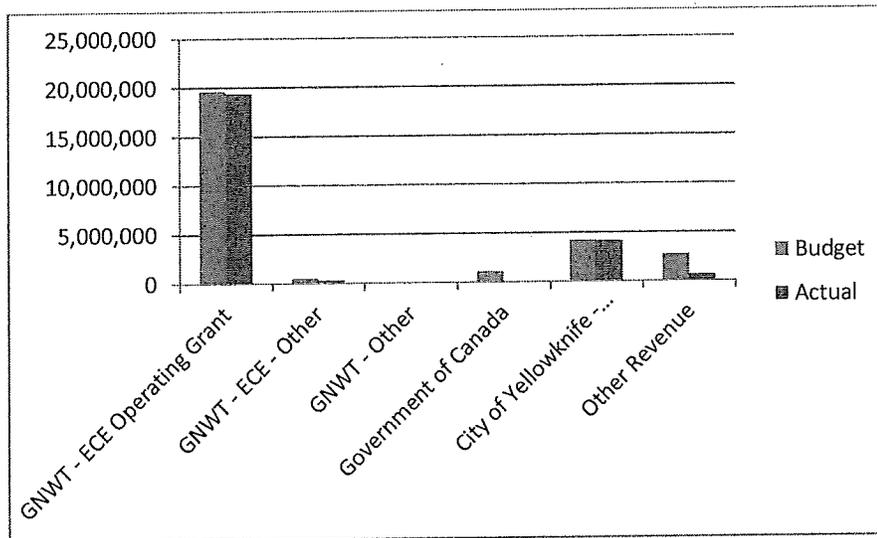
# Yellowknife Catholic Schools

## Budget Variance

### Revenue

In the 2018-2019 fiscal year, an annual deficit of \$1,391,725 was budgeted and the actual deficit was \$354,469. The budgeted revenue for 2018-2019 was \$24,595,997 and the actual revenue was \$26,501,269. The increase in revenue is due to increased core and other contributions from the Government of Education, Culture and Employment. The Jordan's Principle funding was not anticipated when the budget was prepared and resulted in an increased revenue of \$1,064,122. The revenue also includes the proceeds from the insurance company for the fire at Central Services.

### Revenue – Current year (Actual) vs Budget



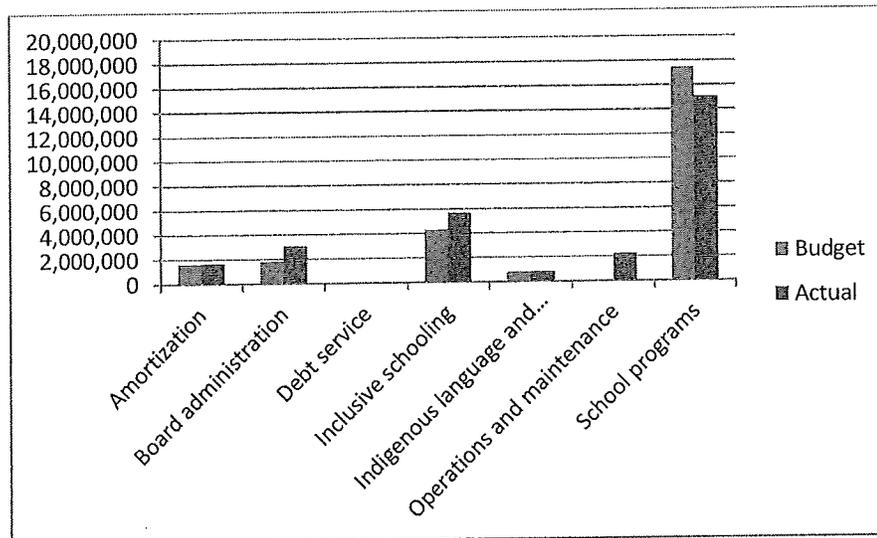


# Yellowknife Catholic Schools

## Expenditures

The budgeted expenditures for the 2018-2019 fiscal year were \$25,989,722 and the actual expenditures were \$26,873,682 resulting in a variance of \$883,960. The variance is due to the increased funding of for 17.50 classroom assistants from Jordan's Principle and the expenses related to the fire at Central Services.

## Expenditures – Budget vs. Actual





# Yellowknife Catholic Schools

## Summary and Outlook

The 2019-2020 school year will be an exciting year at all three schools. We will continue to focus on 21<sup>st</sup> 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. The Department of Education, Culture and Employment has built three portables at École St. Joseph School to help with the growing population.

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 2019-2020, 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.

The Board of Trustees and senior staff will work on a strategic plan for the next five years.

In the 2019-2020 school year, we will welcome Ms. Simone Gessler as the Superintendent and Mr. Pat Sullivan as the Assistant Superintendent – Learning.

YCS has a healthy operating fund surplus for the year and strong cash position that will allow us to continue to operate in a financially prudent manner in the future. YCS 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.

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, 2019**

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 Turner Assistant Superintendent - Business

September 19, 2019

## **Independent Auditors' Report**

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the consolidated financial statements of Yellowknife Public Denominational District Education Authority ("Yellowknife Catholic Schools"), which comprise the consolidated statement of financial position as at June 30, 2019, and the consolidated statements of its operations, consolidated changes in net assets (debt) and its consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Yellowknife Catholic Schools as at June 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Yellowknife Catholic Schools in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Other Information***

Management is responsible for the other information. The other information comprises the Annual Financial Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the Yellowknife Catholic Schools's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Yellowknife Catholic Schools or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Yellowknife Catholic Schools's financial reporting process.

#### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Yellowknife Catholic Schools's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Yellowknife Catholic Schools's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Yellowknife Catholic Schools to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



***Report on Other Legal and Regulatory Requirements***

In conjunction with the audit of the financial statements, we have audited transactions of the Authority coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Government of the Northwest Territories - Department of Education, Culture and Employment.

In our opinion, the transactions of the Authority that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above.

Management is responsible for the Authority's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the entity to comply with the specified authorities.

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink, appearing to read "Crowe Mackenzie LLP".

**Yellowknife, Northwest Territories  
September 19, 2019**

**Chartered Professional Accountants**

**Yellowknife Catholic Schools**  
**(Yellowknife Public Denominational District Education Authority)**

**Consolidated Statement of Financial Position**

As at June 30,	2019	2018
<b>Financial Assets</b>		
Cash and cash equivalents (Note 4)	\$ 6,682,134	\$ 6,348,211
Due from the Government of Canada (Note 12)	215,560	112,451
Accounts receivable (Note 8)	881,830	118,799
	<b>7,779,524</b>	<b>6,579,461</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 9)	660,260	874,980
Payroll benefits payable	18,636	172,841
Due to the Government of Canada (Note 12)	30,933	436,752
Pensions (Note 14)	70,300	138,900
Long-term debt (Note 15)	629,257	732,131
Deferred revenue (Note 10)	498,838	-
Post-employment benefits and compensated absences (Note 16)	1,043,566	973,137
Accrued payroll liabilities (Note 10)	2,972,366	2,599,982
	<b>5,924,156</b>	<b>5,928,723</b>
<b>Net Asset</b>	<b>1,855,368</b>	<b>650,738</b>
<b>Non-financial Assets</b>		
Tangible capital assets (Note 18)	39,750,211	41,245,434
Prepaid expenses and deposits (Note 19)	63,282	58,558
	<b>39,813,493</b>	<b>41,303,992</b>
<b>Accumulated Surplus</b>	<b>\$ 41,668,861</b>	<b>\$ 41,954,730</b>
<b>Represented By:</b>		
Operating fund surplus	\$ 2,266,834	\$ 988,200
Investment in tangible capital assets	39,120,954	40,513,307
Decentralized budget accumulated surplus	281,073	453,223
	<b>\$ 41,668,861</b>	<b>\$ 41,954,730</b>

**Contractual obligations and contingencies (Note 21 and 22)**

**Approved on behalf of the Board**

 Trustee

 Trustee

**Yellowknife Catholic Schools**  
**(Yellowknife Public Denominational District Education Authority)**

**Consolidated Statement of Operations**

For the period ended June 30,	2019 Budget	2019 Actual	2018 Actual
<b>Revenue</b>			
Government of the Northwest Territories			
ECE - Regular contributions	\$ 19,393,697	\$ 19,643,279	\$ 20,035,065
ECE - Other contributions	335,500	521,009	657,746
<b>Total ECE contributions (Note 30)</b>	<b>19,729,197</b>	<b>20,164,288</b>	20,692,811
<b>GNWT - Other contributions (Note 31)</b>	-	83,210	91,790
<b>Total GNWT contributions</b>	<b>19,729,197</b>	<b>20,247,498</b>	20,784,601
<b>Government of Canada - grants and contributions</b>	-	<b>1,064,122</b>	-
<b>City of Yellowknife - property tax requisitioned</b>	<b>4,174,000</b>	<b>4,188,905</b>	4,160,923
<b>Other Education Authorities</b>			
Extra-jurisdictional tuition	150,000	86,544	150,934
<b>Education authority generated funds</b>			
Rentals	180,000	139,444	159,684
Fees and sales	302,800	144,637	163,940
Investments	60,000	135,405	86,983
Donations	-	40,752	64,150
Other	-	540,506	595,797
<b>Total generated funds</b>	<b>542,800</b>	<b>1,000,744</b>	1,070,554
	<b>24,595,997</b>	<b>26,587,813</b>	26,167,012
<b>Expenditures</b>			
Amortization (Schedule 1)	1,600,000	1,640,149	1,798,010
Board administration (Schedule 1)	1,798,361	1,379,691	1,624,154
Debt service (Schedule 1)	8,174	17,028	20,755
Inclusive schooling (Schedule 2)	4,296,029	5,709,862	4,292,004
Indigenous languages and culture (Schedule 3)	841,387	828,626	910,384
Operations and maintenance (Schedule 1)	-	2,228,886	2,212,506
School programs (Schedule 1)	17,445,771	15,069,440	15,130,494
	<b>25,989,722</b>	<b>26,873,682</b>	25,988,307
<b>Annual operating surplus (deficit) before other items</b>	<b>(1,393,725)</b>	<b>(285,869)</b>	178,705
<b>Other items</b>			
Proceeds on fire damages insurance claims	-	1,636,833	-
Costs of fire damages repairs	-	(1,636,833)	-
<b>Annual surplus (deficit)</b>	<b>(1,393,725)</b>	<b>(285,869)</b>	178,705
<b>Opening accumulated surplus</b>	<b>41,954,730</b>	<b>41,954,730</b>	41,776,025
<b>Closing accumulated surplus</b>	<b>\$ 40,561,005</b>	<b>\$ 41,668,861</b>	\$ 41,954,730

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Consolidated Statement of Changes in Net Assets (Debt)**

For the period ended June 30,	2019 Budget	2019 Actual	2018 Actual
<b>Annual Surplus (deficit)</b>	\$(1,393,725)	\$ (285,869)	\$ 178,705
Acquisition of tangible capital assets	-	(144,922)	(94,559)
Amortization of tangible capital assets	1,600,000	1,640,149	1,798,010
Change in prepaid expenses and deposits	-	(4,728)	(19,200)
<b>Increase in net assets</b>	<b>206,275</b>	<b>1,204,630</b>	1,862,956
<b>Net assets (debt), beginning of year</b>	<b>650,738</b>	<b>650,738</b>	(1,212,218)
<b>Net assets, end of year</b>	<b>\$ 857,013</b>	<b>\$ 1,855,368</b>	\$ 650,738

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Consolidated Statement of Cash Flows**

For the period ended June 30,	2019	2018
<b>Cash provided by (used in):</b>		
<b>Operating transactions</b>		
Operating surplus (deficit)	\$ (285,869)	\$ 178,705
Items not affecting cash:		
Amortization	1,640,149	1,798,010
	<b>1,354,280</b>	<b>1,976,715</b>
<b>Changes in non-cash working capital items</b>		
Decrease (increase) in due from the Government of Canada	(103,109)	20,358
Decrease (increase) in accounts receivable	(763,031)	199,382
Increase (decrease) in accounts payable	(214,720)	269,833
Increase (decrease) in payroll benefits payable	(154,205)	(33,943)
Increase (decrease) in due to the Government of Canada	(405,819)	425,067
Increase (decrease) in pensions	(68,600)	37,600
Increase in deferred revenue	498,838	-
Increase in post-employment benefits	70,429	167,083
Increase (decrease) in accrued payroll liabilities	372,384	(42,786)
Increase in prepaid expenses	(4,728)	(19,200)
	<b>(772,561)</b>	<b>1,023,394</b>
<b>Financing transaction</b>		
Repayment of long-term debt	<b>(102,874)</b>	<b>(773,122)</b>
<b>Capital transaction</b>		
Acquisition of tangible capital asset	<b>(144,922)</b>	<b>(94,559)</b>
<b>Increase in cash and cash equivalents</b>	<b>333,923</b>	<b>2,132,428</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>6,348,211</b>	<b>4,215,783</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 6,682,134</b>	<b>\$ 6,348,211</b>

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Consolidated Statement of Accumulated Surplus**

For the period ended June 30,	2019	2018
<b>Operating Fund Surplus</b>		
Operating fund surplus, beginning of year	\$ 988,200	\$ 56,597
Annual surplus (deficit)	(285,869)	178,705
Transfer from investment in tangible capital assets	1,392,353	930,329
Transfer from (to) decentralized budget accumulated surplus	172,150	(177,431)
<b>Operating fund surplus, end of year</b>	<b>\$ 2,266,834</b>	<b>\$ 988,200</b>
<b>Transfer from Investment in Tangible Capital Assets consists of:</b>		
Amortization	\$ 1,640,149	\$ 1,798,010
Capital acquisitions	(144,922)	(94,559)
Debenture principal repayment	(102,874)	(773,122)
	<b>\$ 1,392,353</b>	<b>\$ 930,329</b>
<b>Investment in Tangible Capital Assets</b>		
Investment in tangible capital assets, beginning of year	\$ 40,513,307	\$ 41,443,636
Amortization	(1,640,149)	(1,798,010)
Capital acquisitions	144,922	94,559
Debenture principal repayment	102,874	773,122
<b>Investment in tangible capital assets, end of year</b>	<b>\$ 39,120,954</b>	<b>\$ 40,513,307</b>
<b>Decentralized Budget Accumulated Surplus</b>		
Decentralized budget accumulated surplus, beginning of year	\$ 453,223	\$ 275,792
Transferred from (to) operating fund surplus	(172,150)	177,431
<b>Decentralized budget accumulated surplus, end of year</b>	<b>\$ 281,073</b>	<b>\$ 453,223</b>
<b>Total Accumulated Surplus</b>	<b>\$ 41,668,861</b>	<b>\$ 41,954,730</b>

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# Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 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 Junior 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, a maintenance shop and the 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.

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**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, due to the Government of Canada, long-term debt, payroll benefits payable and accrued payroll liabilities.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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June 30, 2019

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**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.

Capital facilities planning and construction with certain exceptions 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.

**(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 consolidated statement of operations as the stipulation liabilities are settled.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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June 30, 2019

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**2. Significant Accounting Policies (continued)**

**(f) Revenue Recognition (continued)**

**Government Transfers (continued)**

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 assets are recognized as acquired or built.

**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. 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.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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**2. Accounting Policies (continued)**

**(f) Revenue Recognition (continued)**

**Investment Income**

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

**Special Purpose Funds**

School activity funds which are fully controlled by YCS 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 may 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 YCS are not included even if custody of the funds are held by YCS. Examples of excluded funds might be student clubs or associations for which YCS has on going responsibility of liability for losses.

**(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(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 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.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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June 30, 2019

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**2. Accounting Policies (continued)**

**(i) Inventories Including Materials and Supplies**

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

**(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, 2019.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**2. Accounting Policies (continued)**

**(k) Employee Future Benefits (continued)**

**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.

**(l) 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.

**(m) Foreign Currency Translation**

Foreign currency transactions are to be translated in Canadian dollars. Revenues and expenses denominated in a foreign currency are reported at a rate in the date of the transaction. Monetary items that have yet to be settled at the exchange rate are translated at the exchange rate in effect on the date of financial statements. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statements.

**(n) 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.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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June 30, 2019

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**2. Accounting Policies (continued)**

**(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 exists; 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, 2019.

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.

**(p) Net Asset (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.

**(q) Segment disclosure**

The Schedule of Operating Fund - Detail of Expenditures has been prepared in accordance with PS Handbook Section PS2700 - Segment Disclosures. The segments selected are to enable users to better understand the government reporting entity and the major revenue and expenditure activities of the Board. For each reported segment, revenue and expenditures represent amounts directly attributable to each segment. Segments include:

**School Programs:** pertains to the provision of instructional services that fall under the basic public education mandate.

**Inclusive Schooling:** pertains to access to quality education for all students by effectively meeting their diverse needs.

**Operations and Maintenance:** pertains to the operations and maintenance of all YCS buildings and facilities.

**Board Administration:** pertains to the provision of board governance and central office administration.

**Indigenous Languages:** pertains to indigenous language resource development, support of language teachers and community engagement.

**Transfers and others:** pertains to amortization, debenture interest and gain or loss on sale (disposal) of tangible capital assets.

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# Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 3. Future Accounting Changes

#### **Asset Retirement Obligations, Proposed Section PS 3280**

This section will be effective for fiscal years beginning on or after July 1, 2021 and it intended to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset retirement obligations, including obligations that may not have previously been reported. This section would require public sector entities to review existing contract, legislation, regulations, and other resources to identify retirement activities associated with its controlled tangible capital assets.

#### **Revenue, Section PS 3400**

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

#### **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.

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**June 30, 2019**

**4. Cash and Cash Equivalents**

	2019	2018
Cash	\$ 6,682,134	\$ 6,348,211

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 2019	Net 2018
Due from GNWT	\$ 18,540	\$ -	\$ 18,540	\$ 35,775
Due from other	850,588	-	850,588	77,156
Due from related parties	12,702	-	12,702	5,868
<b>Total</b>	<b>\$ 881,830</b>	<b>\$ -</b>	<b>\$ 881,830</b>	<b>\$ 118,799</b>

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**9. Accounts Payable and Accrued Liabilities**

	<b>2019</b>	<b>2018</b>
Damage deposits	\$ 3,660	\$ 1,611
Due to GNWT	1,473	5,435
Due to Workers' Safety and Compensation Commission	1,351	13,245
Other - fire liability	-	273,836
Trades payable	653,776	580,853
	<b>\$ 660,260</b>	<b>\$ 874,980</b>

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**Payroll Liabilities**

Teachers - Northwest Territories Teachers' Association	\$ 2,346,857	\$ 2,098,034
Non-Teacher - Union of Northern Workers	625,509	501,948
	<b>\$ 2,972,366</b>	<b>\$ 2,599,982</b>

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**10. Deferred Revenue**

	<b>2019</b>	<b>2018</b>
Government of Canada - First Nations and Inuit Health Branch - Jordan's Principle	\$ 498,838	\$ -

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

June 30, 2019

**11. Contribution Repayable**

YCS does not have any contribution repayable.

**12. Due from and to the Government of Canada**

	Accounts Receivable		AFDA	Net 2019		Net 2018		
<b>Receivable</b>								
First Nations and Inuit Health Branch	\$	88,052	\$	-	\$	88,052	\$	-
GST receivable		127,508		-		127,508		112,451
	<b>\$</b>	<b>215,560</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>215,560</b>	<b>\$</b>	<b>112,451</b>
<b>Payable</b>								
GST payable	\$	30,933	\$	-	\$	30,933	\$	21,381
Receiver General		-		-		-		415,371
	<b>\$</b>	<b>30,933</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>30,933</b>	<b>\$</b>	<b>436,752</b>

**13. Capital Lease Obligations**

YCS does not have any capital lease obligations.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**14. 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, 2019.

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 2019 calendar year is \$57,400 (2018 - \$55,900).

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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June 30, 2019

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**14. 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 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 2018/2019 Yellowknife Catholic Schools contributed \$1,526,682 (\$1,477,634 in fiscal 2017/2018) in respect of DB accruals.

The date of the most recent actuarial valuation of the Plan is June 30, 2018. 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.

**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

**June 30, 2019**

**14. Pensions (continued)**

*Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2019 is as follows:*

**(d) Plan assets**

	Pension Plan	Supplementary Plan	2019
Fair value, beginning of year	\$ 19,969,400	\$ -	\$ 19,969,400
Expected return on plan assets	1,002,400	-	1,002,400
Employer contributions	1,867,200	-	1,867,200
Employee contributions	1,386,200	-	1,386,200
Employee prior service contributions	-	-	-
Benefit payments and expenses	(987,100)	-	(987,100)
Experience (loss) gain	(508,100)	-	(508,100)
<b>Fair value, end of year</b>	<b>\$ 22,730,000</b>	<b>\$ -</b>	<b>\$ 22,730,000</b>

**(e) Accrued benefit obligations**

	Pension Plan	Supplementary Plan	2019
Balance, beginning of year	\$ 18,275,300	\$ 145,700	\$ 18,421,000
Current service cost	2,675,800	23,800	2,699,600
Interest cost on accrued benefit obligation	971,700	2,000	973,700
Employer prior service cost	-	-	-
Employee prior service cost	-	-	-
Benefit payments and expenses	(987,100)	-	(987,100)
(Gains) / losses on accrued benefit obligation	(159,000)	(101,200)	(260,200)
<b>Balance, end of year</b>	<b>\$ 20,776,700</b>	<b>\$ 70,300</b>	<b>\$ 20,847,000</b>

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# Yellowknife Catholic Schools

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## Notes to Consolidated Financial Statements

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June 30, 2019

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### 14. Pensions (continued)

#### (f) Funded status

	Pension Plan	Supplementary Plan	2019
Plan surplus / (deficit)	\$ 1,953,300	\$ (70,300)	\$ 1,883,000
Unrecognized (gains) losses	308,500	-	308,500
Accrued benefit asset (liability) before limit on assets	2,261,800	(70,300)	2,191,500
Impact of limit on assets	(2,261,800)	-	(2,261,800)
<b>Accrued benefit asset (liability) after limit on assets</b>	<b>\$ -</b>	<b>\$ (70,300)</b>	<b>\$ (70,300)</b>

#### (g) Determination of pension cost

	Pension Plan	Supplementary Plan	2019
Current service cost	\$ 1,289,600	\$ 23,800	\$ 1,313,400
Interest on accrued benefit obligation	(30,700)	2,000	(28,700)
Amortization of losses / (gains)	100	700	800
Extraordinary items	-	(95,100)	(95,100)
Change in valuation allowance	608,200	-	608,200
<b>Pension expense</b>	<b>\$ 1,867,200</b>	<b>\$ (68,600)</b>	<b>\$ 1,798,600</b>

**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

June 30, 2019

**14. Pensions (continued)**

*Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2018 is as follows:*

**(h) Plan assets**

	Pension Plan	Supplementary Plan	2018
Fair value, beginning of year	\$ 16,255,100	\$ -	\$ 16,255,100
Expected return on plan assets	835,600	-	835,600
Employer contributions	1,823,200	-	1,823,200
Employee contributions	1,351,100	-	1,351,100
Employee prior service contributions	-	-	-
Benefit payments and expenses	(500,500)	-	(500,500)
Experience (loss) gain	204,900	-	204,900
<b>Fair value, end of year</b>	<b>\$ 19,969,400</b>	<b>\$ -</b>	<b>\$ 19,969,400</b>

**(i) Accrued benefit obligations**

	Pension Plan	Supplementary Plan	2018
Balance, beginning of year	\$ 15,388,700	\$ 126,400	\$ 15,515,100
Current service cost	2,614,600	33,400	2,648,000
Interest cost on accrued benefit obligation	843,300	1,900	845,200
Employer prior service cost	-	-	-
Employee prior service cost	-	-	-
Benefit payments and expenses	(500,500)	-	(500,500)
(Gains) / losses on accrued benefit obligation	(70,800)	(16,000)	(86,800)
<b>Balance, end of year</b>	<b>\$ 18,275,300</b>	<b>\$ 145,700</b>	<b>\$ 18,421,000</b>

**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

June 30, 2019

**14. Pensions (continued)**

**(j) Funded status**

	Pension Plan	Supplementary Plan	2018
Plan surplus (deficit)	\$ 1,694,100	\$ (145,700)	\$ 1,548,400
Unrecognized (gains) losses	(40,500)	6,800	(33,700)
Accrued benefit asset (liability) before limit on assets	1,653,600	(138,900)	1,514,700
Impact on limit of assets	(1,653,600)	-	(1,653,600)
<b>Accrued benefit asset (liability)</b>	<b>\$ -</b>	<b>\$ (138,900)</b>	<b>\$ (138,900)</b>

**(k) Determination of pension cost**

	Pension Plan	Supplementary Plan	2018
Current service cost	\$ 1,263,500	\$ 33,400	\$ 1,296,900
Interest on accrued benefit obligation	7,700	1,900	9,600
Amortization of losses/ (gains)	20,400	2,300	22,700
Extraordinary items	-	-	-
Change in valuation allowance	531,600	-	531,600
<b>Pension expense</b>	<b>\$ 1,823,200</b>	<b>\$ 37,600</b>	<b>\$ 1,860,800</b>

**(l) Actuarial assumptions**

	2019	2018
Discount rate - pension plan	4.75%	4.75%
Discount rate - supplementary plan	1.20%	1.20%
Expected return on plan assets - pension plan	4.75%	4.75%
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	100% of the CPM 2014 table *	100% of the CPM 2014 table *
Expected average remaining services lifetime (EARSL) - pension plan	13.4 Years	13.6 Years
Expected average remaining services lifetime (EARSL) - supplementary plan	0 Years	9.8 Years

\* 2019 - 100% of the 2014 Canadian Pensioners' Public Sector Mortality Table with projection scale CPM-B;  
 2018 - 100% of the 2014 Canadian Pensioners' Public Sector Mortality Table with projection scale CPM-B.

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**14. Pensions (continued)**

(m) Plan assets consist of:

	2019	2018
Fixed income securities	60%	60%
Equity securities	40%	40%

**15. Long-Term Debt**

Government of the Northwest Territories debenture, repayable in monthly instalments of \$10,000 including interest. Interest rate consistent with GNWT cost of borrowing at a current rate of 2.30%. If rates do not change, the final instalment will be due in 2025.

	2019	2018
	\$ 629,257	\$ 732,131

The debenture are repayable annually as follows:

2020	\$ 106,605
2021	109,119
2022	111,655
2023	114,250
2024 and thereafter	187,628

**\$ 629,257**

The debentures are registered.

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**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**16. 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, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 15, 2019 and the results extrapolated to June 30, 2019. The values presented below are for all the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

June 30, 2019

**16. Post-Employment Benefits and Compensated Absences (continued)**

**Reconciliation of Accrued Benefit Obligation**

	Severance and removal	Compensated absences	2019	2018
Accrued benefit obligation, beginning of year	\$ 662,732	\$ 269,688	\$ 932,420	\$ 1,523,994
Current service cost	49,289	18,668	67,957	87,302
Interest cost	23,757	9,928	33,685	46,119
Benefits paid	(30,188)	(6,899)	(37,087)	(60,554)
Plan amendments	104,364	132,289	236,653	(669,139)
Actuarial gains/losses				4,698
Accrued benefit obligations, end of year	809,954	423,674	1,233,628	932,420
Unamortized net actuarial gain/loss	59,003	(249,065)	(190,062)	40,717
<b>Accrued benefit liability</b>	<b>\$ 868,957</b>	<b>\$ 174,609</b>	<b>\$ 1,043,566</b>	<b>\$ 973,137</b>

**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

**June 30, 2019**

**16. Post-Employment Benefits and Compensated Absences (continued)**

**Benefits Expense**

	Severance and removal		Compensated absences		2019		2018	
Current service cost	\$	49,289	\$	18,668	\$	67,957	\$	87,302
Interest cost		23,757		9,926		33,683		46,119
Amortization of net actuarial (gain)/loss		(22,608)		28,484		5,876		89,519
Plan amendment								4,698
<b>Benefit expense, end of year</b>	<b>\$</b>	<b>50,438</b>	<b>\$</b>	<b>57,078</b>	<b>\$</b>	<b>107,516</b>	<b>\$</b>	<b>227,638</b>

The discount rate used to determine the accrued benefit obligation was an average of 3.20%, (2018 - 3.80%).  
 The expected payments during the next five fiscal years are:

	Severance and removal		Compensated absences		Total	
2020	\$	128,345	\$	51,261	\$	179,606
2021		82,031		33,927		115,958
2022		64,657		28,033		92,690
2023		55,388		24,529		79,917
2024		49,554		22,540		72,094
<b>Total</b>	<b>\$</b>	<b>379,975</b>	<b>\$</b>	<b>160,290</b>	<b>\$</b>	<b>540,265</b>

**17. Trust Assets Under Administration**

YCS does not have any trust assets under administration.

# Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

## Notes to Financial Statements

June 30, 2019

### 18. Tangible Capital Assets

	Cost	Additions	Disposals	Amortization	Accumulated Amortization	Net Book Value, June 30, 2019	Net Book Value June 30, 2018
<b>Land and Improvements</b>	\$ 1,838,825	\$ -	\$ -	\$ -	\$ -	\$ 1,838,825	\$ 1,838,825
<b>Equipment</b>	463,113	144,922	-	70,255	324,220	283,815	209,148
<b>Buildings and Portables</b>							
Career and Technical Centre	2,878,913	-	-	73,889	1,105,602	1,773,311	1,847,199
Central Services offices	1,048,460	-	-	41,700	660,368	388,092	429,790
Ecole St. Joseph School	37,333,024	-	-	786,534	14,201,161	23,131,863	23,918,396
Ecole St. Patrick High School	12,292,334	-	-	321,853	7,115,603	5,176,731	5,498,583
Tallah Building	621,027	-	-	15,757	104,864	516,163	531,921
Weledeh Catholic School	12,557,840	-	-	330,161	5,916,429	6,641,411	6,971,572
	<b>66,731,598</b>	<b>-</b>	<b>-</b>	<b>1,569,894</b>	<b>29,104,027</b>	<b>37,627,571</b>	<b>39,197,461</b>
	<b>\$ 69,033,536</b>	<b>\$ 144,922</b>	<b>\$ -</b>	<b>\$ 1,640,149</b>	<b>\$ 29,428,247</b>	<b>\$ 39,750,211</b>	<b>\$ 41,245,434</b>

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

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June 30, 2019

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**19. Prepaid Expenses and Deposits**

	2019	2018
Prepays	\$ 63,282	\$ 58,558

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**20. GNWT Assets Provided At No Cost**

YCS does not have any GNWT assets provided at no cost.

**21. Contractual Obligations**

YCS has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2019.

YCS is committed to four janitorial contracts for various schools and buildings. All of the contracts expire in June 2020. YCS has a contract with First Canada ULC (o/a First Student Canada) for student transportation. The contract expired in June 2018 and was extended for a year until June 2020. YCS has various contracts for anti-virus software, courier services, elevator maintenance, employee assistance, PRI phone service, photocopiers, and postage machines.

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**21. Contractual Obligations (continued)**

The future minimum payments are as follows.

	Expiry Date	2020	2021	2022	2023	Total
Anti-virus software	Aug 2021	\$ 6,685	\$ 6,685	\$ 557	\$ -	\$ 13,927
Courier services	June 2020	6,630	-	-	-	6,630
Elevator services	June 2021	8,860	6,645	-	-	15,505
Employee assistance	June 2020	7,682	-	-	-	7,682
Janitorial	June 2020	635,953	-	-	-	635,953
PRI Lines	June 2023	13,264	13,264	13,264	13,264	53,056
Photocopier	June 2023	19,180	10,897	298	298	30,673
Postage machine	June 2023	683	683	683	683	2,732
Student bussing	June 2020	400,000	-	-	-	400,000
		<b>\$ 1,098,937</b>	<b>\$ 38,174</b>	<b>\$ 14,802</b>	<b>\$ 14,245</b>	<b>\$ 1,166,158</b>

Yellowknife Catholic Schools have 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. 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 with the Public Service Alliance of Canada as represented by its agent the Union of Northern Workers was signed for a period from July 2019 to June 2022.

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**22. Contingencies**

On July 15, 2019, YCS received a legal claim on a human rights violation reported by an employee. As of June 30, 2019, YCS assessed that the claim is likely to result in damages being paid to the defendant. As an estimate of the damage has not been completed by the year-end date, no liability has been recognized.

**23. Related Parties**

YCS has the following transactions with government and other government controlled organizations:

**Due to related parties:**

	2019	2018
<b>Government of the Northwest Territories</b>		
Department of Education, Culture and Employment	\$ 1,473	\$ 5,435

**Due from related parties:**

	Accounts Receivable	AFDA	2019	2018
<b>Government of the Northwest Territories</b>				
Aurora College	\$ 12,702	\$ -	\$ 12,702	\$ -
Department of Education, Culture and Employment	18,540	-	18,540	24,856
Department of Finance	-	-	-	10,920
NWT Health & Social Services - Yellowknife Region	-	-	-	4,944
	<b>31,242</b>		<b>31,242</b>	<b>40,720</b>
<b>Sahtu Divisional Education Council</b>	-	-	-	924
<b>Total due from related parties</b>	<b>\$ 31,242</b>	<b>\$ -</b>	<b>\$ 31,242</b>	<b>\$ 41,644</b>

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# Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 23. Related Parties (continued)

Revenue from related parties:

	2019	2018
<b>Government of the Northwest Territories</b>		
Department of Education, Culture & Employment	\$ 20,164,289	\$ 20,692,811
Department of Municipal and Community Affairs	\$ 65,150	\$ 63,525
Department of Health and Social Services	\$ 10,060	\$ 12,265
Department of Environment & Natural Resources	\$ 8,000	\$ 16,000
<b>Beaufort Delta Education Authority</b>	\$ 15,000	\$ 15,000
<b>Aurora College - Tallah building</b>	\$ 120,524	\$ 119,974
<b>Dettah District Education Authority</b>	\$ 86,544	\$ 150,934
<b>Sahtu District Education Authority</b>	\$ -	\$ 924

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

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June 30, 2019

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**23. Related Parties (continued)**

**Expenses from related parties:**

	<b>2019</b>	<b>2018</b>
<b>Government of the Northwest Territories</b>		
Department of Education, Culture & Employment	\$ 6,360	\$ 8,575
Department of Infrastructure	\$ 2,678	\$ 2,824
Department of Finance - debenture	\$ 120,000	\$ 120,000
Department of MACA	\$ 662	\$ -
Department of Environment & Natural Resources	\$ 555	\$ 1,400
NWT Health & Social Services	\$ 7,090	\$ 6,375
<b>YK Education District No. 1</b>	\$ 1,691	\$ 1,641
<b>South Slave Divisional Education</b>	\$ 2,526	\$ -
<b>Dehcho Divisional Educational Council</b>	\$ 600	\$ 600

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**24. 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, 2018 and have not been audited.

**25. 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.

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**26. 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.

Credit risk related to accounts receivable is mitigated by controls over arrears accounts for ultimate collection and policies in place for debt collection. YCS's maximum exposure to credit risk at March 31, 2019 is as follows:

	<b>2019</b>
Cash and cash equivalents	\$ 6,682,134
Due from Government of Canada	215,560
Accounts receivable	881,830
	-
Maximum credit risk exposure	<u>\$ 7,779,524</u>

At June 30, 2019, the following accounts receivable were past due but not impaired.

	30 days	60 days	90 days
<b>Accounts receivable</b>	<b>\$ 3,905</b>	<b>\$ -</b>	<b>\$ 23,638</b>

At June 30, 2019, YCS does not have any impaired accounts receivable.

YCS does have concentration of credit risk in its accounts receivable. Concentration of credit risk is the risk that a customer has more than ten percent of the total accounts receivable balance and thus there is a higher risk to YCS in the event of a default. At June 30, 2019, receivables from three customers comprised 88% of the total outstanding receivable, YCS reduces this risk by monitoring overdue balances.

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

**b) Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. YCS has exposure to interest rate risk on its long-term debt of \$629,257 (2018 - \$732,131) may be adversely affected by a change in the interest rates.

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

**Yellowknife Catholic Schools**  
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**Notes to Consolidated Financial Statements**

June 30, 2019

**26. 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.

<b>Financial assets</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	\$ 6,682,134	\$ -	\$ -	\$ -
Due from the government of Canada	215,560	-	-	-
Accounts receivable	881,830	-	-	-
<b>Total assets</b>	<b>\$ 7,779,524</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total assets - prior year	\$ 6,579,461	\$ -	\$ -	\$ -
<b>Financial liabilities</b>	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	\$ 660,260	\$ -	\$ -	\$ -
Payroll benefits payable	18,636	-	-	-
Due to the Government of Canada	30,933	-	-	-
Long-term debt	53,302	53,303	335,024	187,628
Accrued payroll liabilities	2,972,366	-	-	-
<b>Total liabilities</b>	<b>\$ 3,735,497</b>	<b>\$ 53,303</b>	<b>\$ 335,024</b>	<b>\$ 187,628</b>
Total liabilities - prior year	\$ 4,138,091	\$ 58,289	\$ 460,939	\$ 159,367
<b>Net total</b>	<b>\$ 4,044,027</b>	<b>\$ (53,303)</b>	<b>\$ (335,024)</b>	<b>\$ (187,628)</b>
Net total - prior year	\$ 2,441,370	\$ (58,289)	\$ (460,939)	\$ (159,367)

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.

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**27. Expenditures By Object**

	<b>2019</b> Budget	<b>2019</b> Actual	2018 Actual
Amortization	\$ 1,600,000	\$ 1,640,149	\$ 1,798,010
Compensation	20,443,210	21,392,174	20,016,415
Interest on long-term debt	8,174	17,028	20,755
Materials/freight	600,505	715,183	1,017,679
Services purchased/contracted	3,337,833	3,109,148	3,135,448
	<b>\$ 25,989,722</b>	<b>\$ 26,873,682</b>	<b>\$ 25,988,307</b>

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**28. Subsequent Events**

There were no subsequent events that have taken place between June 30, 2019 and the date the audit report was signed.

**29. Comparative Figures**

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

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

June 30, 2019

**30.ECE Contributions**

	2019	2018
<b>Original contribution</b>	\$ 19,393,697	\$ 19,593,033
SSI	103,000	103,000
Additional JK classroom materials	12,000	15,000
Weledeh debenture adjustments	-	(215,000)
Additional funding for JK implementation	-	146,000
Termination benefits	67,078	380,448
Mentorship release time	13,286	12,584
Mentorship release time	52,000	-
Senior management salary grid increase	2,218	-
<b>Updated contribution</b>	<b>\$ 19,643,279</b>	<b>20,035,065</b>
Aboriginal language	56,000	141,000
After school program subsidy	33,362	11,931
DELF	44,500	42,000
Extra French funding	16,027	20,250
French language funding	280,500	280,500
JK Funding	24,000	100,000
Labour Market Agreement for Persons with Disabilities	-	43,000
Official language	-	4,565
Self regulation	7,000	14,500
Health and wellness	28,620	-
Regional inclusive schooling	18,500	-
Youth with disabilities	12,500	-
<b>TOTAL</b>	<b>\$ 20,164,288</b>	<b>\$ 20,692,811</b>

**31.GNWT - Other Contributions**

	2019	2018
<b>Department of MACA</b>		
Active After School	\$ 48,150	\$ 45,900
Regional youth handgames	17,000	17,625
<b>Department of Health and Social Services</b>		
Drop the Pop	10,060	12,265
<b>Department of Environment &amp; Natural Resources</b>		
Take a Kid Trapping	8,000	16,000
<b>TOTAL</b>	<b>\$ 83,210</b>	<b>\$ 91,790</b>

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Notes to Consolidated Financial Statements**

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June 30, 2019

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**32. Contingent Assets**

YCS has the following contingent assets where the occurrence of the confirming future event is likely:

On March 15, 2018, there was a fire on the second floor of the YCS District Office. There was substantial damage to the second floor office space and smoke damage to the entire building. As of June 30, 2019, repairs have been completed with a total cost of \$1,636,833. As of June 30, 2019, insurance proceeds of \$867,135 has been collected. All insurance claims have been submitted to the insurance company for final approval. It is likely that the costs will be covered by the insurance claim.

**33. Contractual Rights**

YCS has entered into a number of contract that will become assets and revenues in the future when the terms of the contracts are met:

	2020	2021	2022	2023 and beyond	Total
Tallah Building	\$ 107,426	\$ 107,426	\$ -	\$ -	\$ 214,852

YCS has entered a rental agreement with Aurora College for the rental of the Tallah Building. The lease agreement expires on June 30, 2021.

**Yellowknife Catholic Schools**  
**(Yellowknife Public Denominational District Education Authority)**

**Schedule 1**  
**Operating Fund - Detail of Expenditures**

For the period ended June 30, 2019

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Board Administration	Indigenous Languages (Schedule 3)	Transfers & Others	Total 2019	Budget 2019	Total 2018
<b>Salaries</b>									
Teachers	\$9,535,718	\$1,547,788	\$ -	\$ -	\$ 432,148	\$ -	\$11,515,654	\$11,400,429	\$11,177,177
Instruction assistants	-	2,325,680	-	-	-	-	2,325,680	1,319,293	1,279,425
Non-instructional	1,084,023	284,508	276,158	776,188	166,900	-	2,587,777	2,596,087	2,955,074
Board honoraria	-	-	-	70,841	-	-	70,841	68,000	67,894
	<b>10,619,741</b>	<b>4,157,976</b>	<b>276,158</b>	<b>847,029</b>	<b>599,048</b>	<b>-</b>	<b>16,499,952</b>	<b>15,383,809</b>	<b>15,479,570</b>
<b>Employee Benefits</b>									
Employee benefits	3,127,347	1,291,264	80,199	244,226	118,998	-	4,862,034	5,039,401	4,526,919
Leave and termination benefits	30,188	-	-	-	-	-	30,188	20,000	9,926
	<b>3,157,535</b>	<b>1,291,264</b>	<b>80,199</b>	<b>244,226</b>	<b>118,998</b>	<b>-</b>	<b>4,892,222</b>	<b>5,059,401</b>	<b>4,536,845</b>
<b>Services Purchased/Contracted</b>									
Advertising/publishing	14,786	-	-	25,656	21,522	-	61,964	67,500	67,432
Communication	44,752	-	6,240	26,756	-	-	77,748	79,000	88,693
Contracted services	190,196	13,611	671,841	2,280	12,926	-	890,854	-	819,201
Maintenance & repairs	723	2,590	331,729	-	12,166	-	347,208	327,500	390,101
Other	97,331	-	13,323	31,995	-	-	142,649	1,317,433	217,705
Professional/technical	14,374	177,923	-	63,606	3,136	-	259,039	195,400	219,662
Rental/leases	32,981	-	-	6,420	-	-	39,401	50,000	49,810
Student transportation	408,131	3,704	-	-	-	-	411,835	487,500	412,678
Travel	1,889	-	-	27,165	-	-	29,054	27,000	34,266
Utilities: Electricity	-	-	427,677	-	-	-	427,677	430,000	425,737
Heating	-	-	322,393	-	-	-	322,393	255,000	303,983
Water/sewage	-	-	99,326	-	-	-	99,326	101,500	106,180
	<b>805,163</b>	<b>197,828</b>	<b>1,872,529</b>	<b>183,878</b>	<b>49,750</b>	<b>-</b>	<b>3,109,148</b>	<b>3,337,833</b>	<b>3,135,448</b>
<b>Materials/Freight</b>									
Materials	479,872	62,794	-	104,558	60,830	-	708,054	592,005	1,008,129
Freight	7,129	-	-	-	-	-	7,129	8,500	9,550
	<b>487,001</b>	<b>62,794</b>	<b>-</b>	<b>104,558</b>	<b>60,830</b>	<b>-</b>	<b>715,183</b>	<b>600,505</b>	<b>1,017,679</b>

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, 2018**

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Board Administration	Indigenous Languages (Schedule 3)	Transfers & Others	Total 2019	Budget 2019	Total 2018
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,640,149	\$ 1,640,149	\$ 1,600,000	\$ 1,798,010
Debenture Interest	-	-	-	-	-	17,028	17,028	8,174	20,755
	-	-	-	-	-	1,657,177	1,657,177	1,608,174	1,818,765
<b>Total</b>	<b>\$15,069,440</b>	<b>\$ 5,709,862</b>	<b>\$ 2,228,886</b>	<b>\$ 1,379,691</b>	<b>\$ 828,626</b>	<b>\$ 1,657,177</b>	<b>\$26,873,682</b>	<b>\$25,989,722</b>	<b>\$25,988,307</b>

**Yellowknife Catholic Schools**  
**(Yellowknife Public Denominational District Education Authority)**

**Schedule 2**  
**Detail of Inclusive Schooling Expenditures**

**For the period ended June 30, 2019**

	Staff Development	General Inclusive Schooling	Assistive Technology	Magnet Facilities	Total
<b>Salaries</b>					
Consultants	\$ -	\$ 72,153	\$ -	\$ -	\$ 72,153
Non-instructional	-	284,508	-	-	284,508
Support assistants	-	2,267,085	-	58,595	2,325,680
Teachers	22,380	1,345,792	-	107,463	1,475,635
	<b>22,380</b>	<b>3,969,538</b>	<b>-</b>	<b>166,058</b>	<b>4,157,976</b>
<b>Employee Benefits</b>	<b>160,997</b>	<b>1,077,503</b>	<b>-</b>	<b>52,764</b>	<b>1,291,264</b>
<b>Services Purchased/Contracted</b>					
Contracted services	-	13,611	-	-	13,611
Maintenance & repairs	-	-	2,590	-	2,590
Professional/technical	47,869	130,054	-	-	177,923
Student transportation	-	3,704	-	-	3,704
	<b>47,869</b>	<b>147,369</b>	<b>2,590</b>	<b>-</b>	<b>197,828</b>
<b>Materials/Freight</b>	<b>15,443</b>	<b>30,382</b>	<b>13,972</b>	<b>2,997</b>	<b>62,794</b>
<b>Total</b>	<b>\$ 246,689</b>	<b>\$ 5,224,792</b>	<b>\$ 16,562</b>	<b>\$ 221,819</b>	<b>\$ 5,709,862</b>

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Schedule 3**  
**Indigenous Languages and Culture Program Expenditures**

For the period ended June 30, 2019

	Student Instruction	Teaching/ Learning Resources	Professional Development	School and Community Programs	Total
<b>Salaries</b>					
ALCBE teachers	\$ 432,147	\$ -	\$ -	\$ -	\$ 432,147
Honoraria	-	56,788	-	47,675	104,463
Elders in Schools	-	62,438	-	-	62,438
	432,147	119,226	-	47,675	599,048
<b>Employee Benefits</b>	118,998	-	-	-	118,998
<b>Services Purchased/Contracted</b>					
Maintenance and repairs	-	-	12,166	-	12,166
Printing and publishing	-	21,522	-	-	21,522
Professional development	-	-	3,136	-	3,136
Student transportation	-	-	12,926	-	12,926
Supplies	-	-	-	60,830	60,830
	-	21,522	28,228	60,830	110,580
<b>Total</b>	<b>\$ 551,145</b>	<b>140,748</b>	<b>\$ 28,228</b>	<b>\$ 108,505</b>	<b>\$ 828,626</b>

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

**Schedule 4**  
**Indigenous Language Materials**

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For the period ended June 30, 2019

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	July 1, 2018 to March 31, 2019	April 1, 2019 to June 30, 2019	Total
<b>Revenue</b>			
Secretary of State Funding Aboriginal Languages	\$ 56,000	\$ -	\$ 56,000
<b>Expenditures</b>			
Contract services	27,687	-	27,687
Supplies and materials	29,100	-	29,100
	56,787	-	56,787
<b>Deficit</b>	\$ (787)	\$ -	\$ (787)

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**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Schedule 5**  
**French Language Programs**

For the period ended June 30, 2019

	Contribution from GNWT	Commitment from YCS	Actual Expenditures	(Over) under Expenditures
<b>Bilateral Agreement Funding</b>				
<b>Special Projects</b>				
Consultant - Immersion/Core French	\$ 60,000	\$ 87,000	\$ 242,754	\$ (95,754)
Core French (salary and benefits)	100,000	182,000	377,820	(95,820)
French cultural activities	4,000	5,000	8,954	46
French resources	11,000	8,000	30,606	(11,606)
Late Immersion Training	-	-	5,360	(5,360)
Late immersion Camp	-	-	1,307	(1,307)
Literacy (salary and benefits)	56,000	65,000	153,941	(32,941)
Professional development	4,000	8,000	18,821	(6,821)
Teacher assistant (salary and benefits)	45,500	30,000	79,499	(3,999)
<b>Total</b>	<b>\$ 280,500</b>	<b>\$ 385,000</b>	<b>\$ 919,062</b>	<b>\$ (253,562)</b>
<b>Regular GNWT Funding</b>				
Core French			\$ 549,170	
Immersion Program			1,534,586	
<b>Total</b>			<b>\$ 2,083,756</b>	

**Yellowknife Catholic Schools**  
 (Yellowknife Public Denominational District Education Authority)

**Schedule 6**  
**Student Success Initiative Projects**

For the period ended June 30, 2019

	Literacy/ Math Project	Leadership Development	Total
<b>Revenue</b>			
Government of Northwest Territories - Department of Education, Culture and Employment	\$ 37,000	\$ 66,000	\$ 103,000
<b>Expenditures</b>			
Contracted services	6,432	47,869	54,301
Professional development	5,146	3,031	8,177
Substitute teacher wages	15,031	8,968	23,999
Supplies	3,287	15,444	18,731
	<b>29,896</b>	<b>75,312</b>	<b>105,208</b>
<b>Net surplus (deficit)</b>	<b>\$ 7,104</b>	<b>\$ (9,312)</b>	<b>\$ (2,208)</b>

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**Yellowknife Catholic Schools**  
(Yellowknife Public Denominational District Education Authority)

Schedule 7  
Jordan's Principle

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For the period ended June 30, 2019

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	Budget 2019	Actual 2019	Actual 2018
<b>Revenue</b>			
Government of Canada			
- First Nations and Inuit Health Branch Contribution agreement	\$ 1,310,470	\$ 1,373,623	\$ -
<b>Expenditures</b>			
Administration	-	219,523	-
Personnel	1,310,470	646,774	-
Contracted services	-	8,488	-
<b>Total expenditures</b>	1,310,470	874,785	-
<b>Net surplus</b>	\$ -	\$ 498,838	\$ -
<b>Deferred revenue</b>	\$ -	\$ 498,838	\$ -

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**Yellowknife District No.1 Education Authority**

**(Yellowknife Education District No. 1)**

**Financial Statements**

**June 30, 2019**





# Yellowknife District No. 1 Education Authority

(the Authority)

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June 30, 2019

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YELLOWKNIFE EDUCATION DISTRICT NO. 1  
OF THE NORTHWEST TERRITORIES  
ADMINISTRATION SCOLAIRE DE DISTRICT NO. 1 DE YELLOWKNIFE  
Box 788, Yellowknife, NT X1A 2N6  
Tel: (867) 766-5050 Fax: (867) 873-5051  
ykl.nt.ca ykl@ykl.nt.ca

# Management Discussion and Analysis

June 2019

## 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  
Tina Drew, Vice Chairperson

### Trustees:

Jay Butler  
Terry Brookes  
Al McDonald  
Rajiv Rawat  
Satish Garikaparathi

### Active Committees include:

- Policy Committee
- Public Relations Committee
- Finance Committee

## **YK1 Strategic Directions**

### **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 Willideh 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 jigging, lego and crochet clubs
- An "On the Land Mentorship" program was established where students are paired with Indigenous 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
- MHS is also home to the Birchbark Discovery Centre, a community-based alternative education program for up to 15 children in Grades 1 to 4, with room to expand in future school years.

### **N.J. Macpherson School (JK-5)**

- N.J. Macpherson School (NJM) is an English school which offers Core French
- Special programs at NJM include Montessori, Visual Arts, Music, Drama, Gymnastics and a strong recycling program. Several extracurricular sports, clubs and after-school programs are also offered
- Indigenous Language and Culture is integrated into classroom sessions and students attend culture camps throughout the year
- NJM has an active Parent Advisory Council

### **École J.H. Sissons (JK-5)**

- École J.H. Sissons (EJHS) 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
- EJHS 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 (EWMS) 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
- EWMS offers exploratory programs such as Industrial Arts, Home Economics and Outdoor Education
- The school offers a Sports Academy program which includes hockey, soccer, dance, fitness and cross training. Recently updating the fitness room allowed the school to expand its sports programming
- 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
- Indigenous Language and Culture is integrated into classroom sessions and students attend culture camps throughout the year
- Special programs at Range Lake North School (RLN) include music, band, fine arts, choir and drama
- RLN offers advanced technology and robotics programs in a Makerspace environment
- An Athletic Excellence program is offered encompassing many extracurricular sports such as snowboarding, hiking and nature walks
- RLN has an active and involved Parent Advisory Committee who organize their largest fundraiser, Family Fun Night in the spring. Proceeds support RLN student activities

### **École Sir John Franklin High School (9-12)**

- École Sir John Franklin High School (ESJF) offers programming from Grades 9 to 12 in both English and French Immersion
- Core French and Post-Intensive French are offered from Grades 9 to 12
- ESJF 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, automotive and esthetics
- ESJF offers Indigenous culture programming and camps including Willideh language instruction
- The school has a successful Sports Academy and several extracurricular sports and clubs are offered
- ESJF has an At-Risk Student program which provides support and resources for students struggling in school, socially or at home
- 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

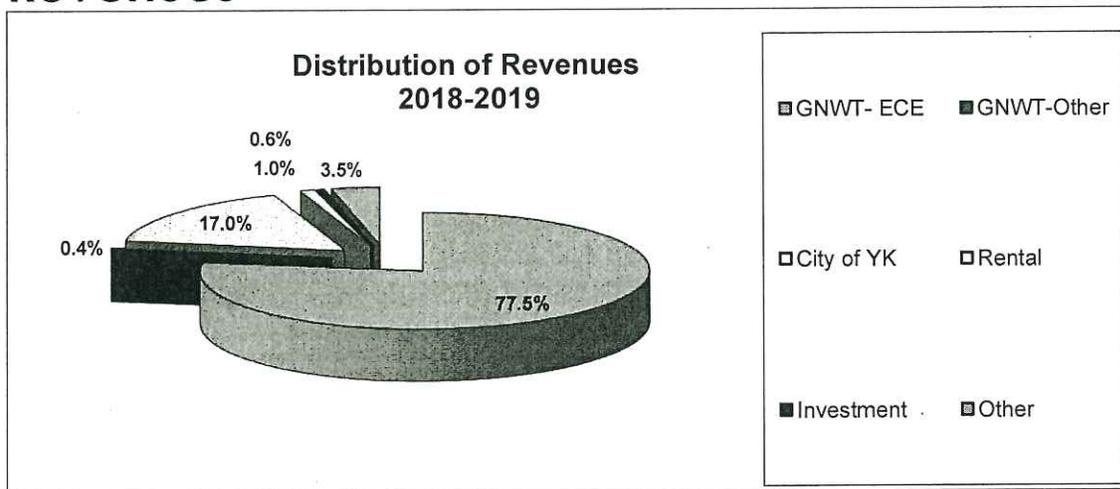
**Route 51 Learning:**

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**

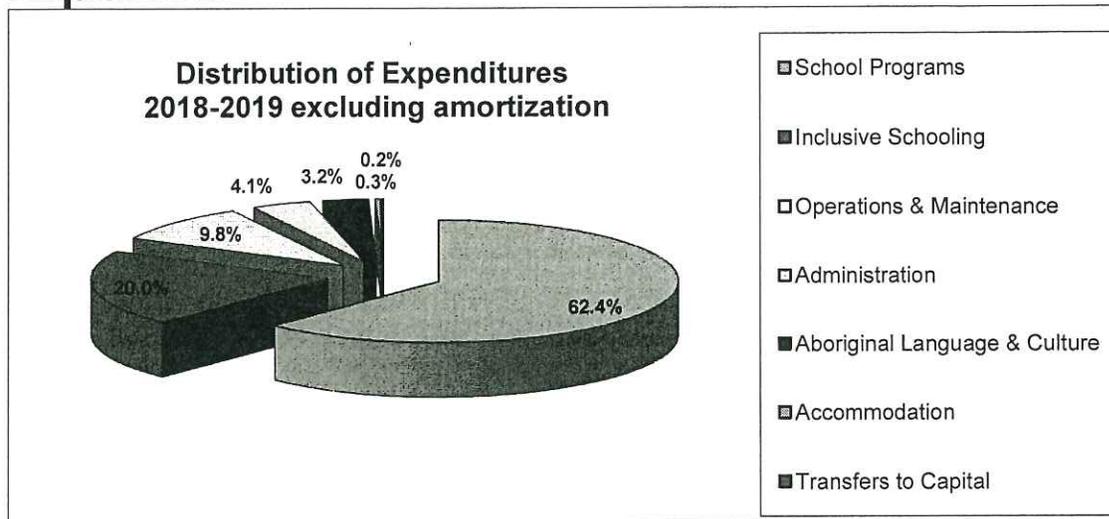


**Revenues**

GNWT- ECE	28,878,898
GNWT-Other	141,610
City of YK	6,339,311
Rental	386,115
Investment	206,865
Other	1,315,189
<b>Total Revenues</b>	<b>37,267,988</b>

Funding from the Department of Education, Culture and Employment (ECE) makes up 77.5% of YK1's revenues. Property taxation revenue is 17.0% and the remainder is generated from investment income, Nordic Arms apartment rentals, superintendent services, Jordan's Principle Federal Funding and parking lot rentals.

## Expenses



### Expenses (excluding amortization)

School Programs	23,405,977
Inclusive Schooling	7,521,033
Operations & Maintenance	3,661,354
Administration	1,532,144
Indigenous Language & Culture	1,210,539
Accommodation	121,865
Transfers to Capital	72,881
<b>Total Expenses</b>	<b><u>37,525,793</u></b>

Expenditure allocations is based on the Department of Education, Culture and Employment's funding formula. 85.6% of expenditures consist of school programs, Inclusive Schooling and Indigenous Language and Culture which are directly related to schools. The Transfers to Capital is the cost of purchase of a bus for Mildred Hall School from the Jordan's Principle Funding.

## 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	2018/2019	2017/2018	Change
Operating	444,854	511,577	-66,723
Capital	904,165	904,165	0
Decentralized(Schools)	365,440	386,496	-21,056
<hr/>			
Total Accumulated Surplus	1,714,459	1,802,238	-87,779
<hr/>			
Unfunded by ECE :			
Leave and Termination Benefits	1,720,878	1,651,023	+69,855
	<b>3,435,377</b>	<b>3,453,262</b>	<b>-17,924</b>

The accumulated operating surplus decreased by \$66,723 and the decentralized surplus decreased by \$21,056, the total change is an overall decrease of \$87,779. The overall unrestricted surplus is 4.6% (\$1,714,459/\$37,096,950) of total 2019/2020 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.

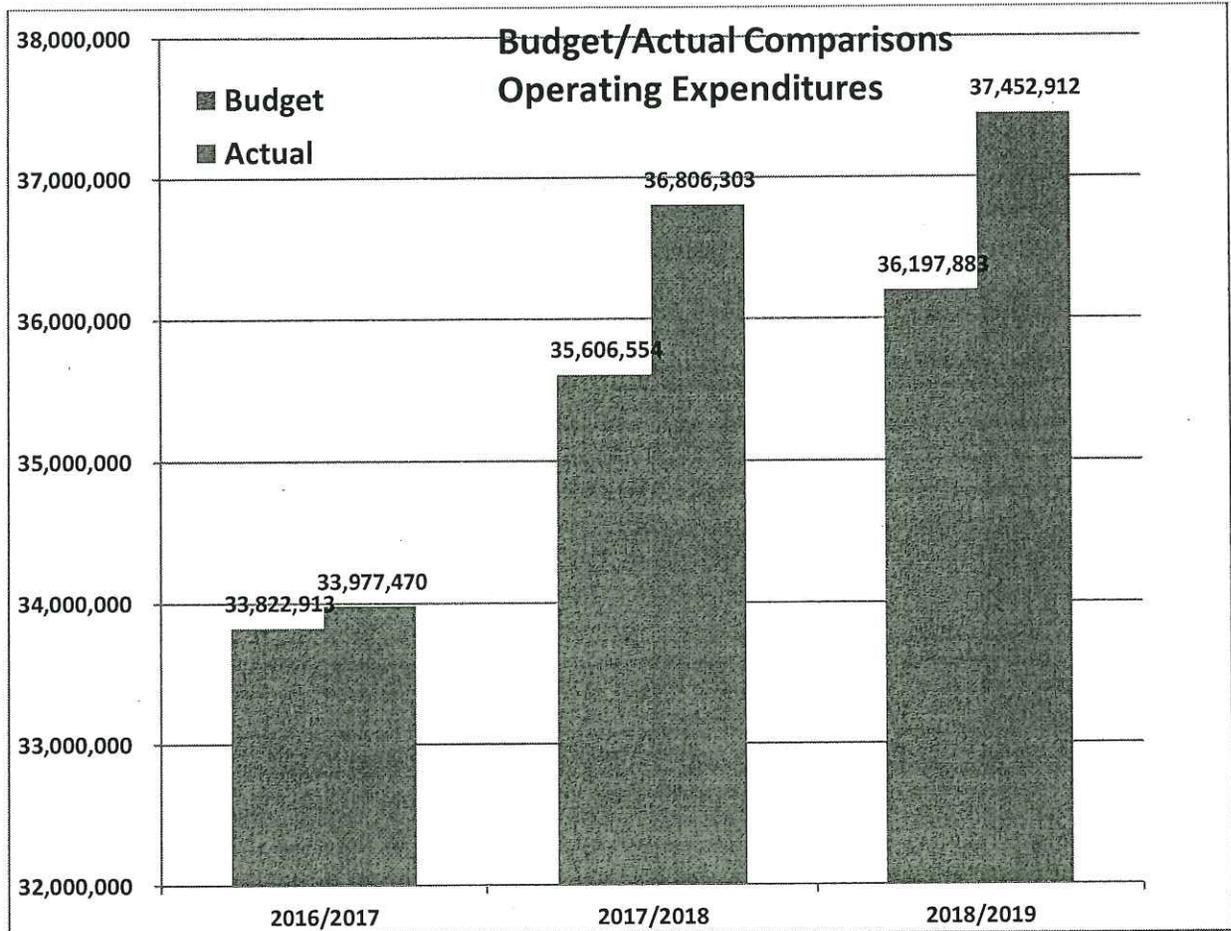
## Restricted Reserves

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. For the 2018/2019 school year, the cost for insurance and utilities exceed ECE funding, therefore there is a drawdown in the LED reserve of \$97,145

YK1 has completed the LED light conversion for all outdoor lights, emergency exit lights, and gymnasium lights at schools and buildings. YK1 is planning to continue with LED lights conversion for EWMS.

LED Restricted	2018/2019	2017/2018	Change
Beginning Balance	352,796	422,037	-69,241
Utility Savings	0	30,518	-30,518
Utility Shortfall/ LED Projects	-97,145	-99,759	+2,614
<b>Total LED Reserve</b>	<b>255,651</b>	<b>352,796</b>	<b>-97,145</b>

## Budget/Actual Comparisons



YK1 revenues are higher than budget by \$1,255,029 due to:

- ECE regular contributions revenues higher by \$187,804 due to Funding for the Birchbark program at Mildred Hall School \$140,000 and UNW retroactive funding for USW staff wages.
- ECE Indigenous Language is additional funding for Teaching and Learning Curriculum \$69,000
- GNWT Other Contributions revenue is from Department of Municipal and Community Affairs (MACA) for Active After School \$92,550, Youth Corp \$20,000, Department of Health and Social Services for Drop the Pop Campaign \$20,560 in schools, and Department of Environment and Natural Resources for Take a Kid Trapping \$8,500.

- Other Revenue is higher mainly due to Jordan' Principle Funding from the Federal Government for a total of \$1,323,652 of that the schools spent \$909,678, the remainder of \$413,974 is carried over to school year 2019/2020.
- Portfolio Investment income higher by \$96,865 from previous years' due to interest rate increases

YK1 expenses variance highlights are:

- Amortization of fixed assets of \$943,984 was not considered when the budget was prepared
- School Programs has a negative variance of \$29,671 due to addition of staff in school
- Inclusive Schooling costs are higher than budget due to an increase in Substitute costs for staff and Jordan Principle costs are coded under Inclusive Education \$ 909,678
- Staff Accommodations expenses decreased by \$75,635 to offset the large expenditure in the previous year for roof replacement costing \$137,000
- Operations and Maintenance costs are higher by \$303,084 due to:
  - Utility and Insurance costs higher by \$195,000 due to increase in price of fuel and colder longer winter and the increase in insured replacement value of buildings;
  - Maintenance Shop Abatement cost of \$100,000 which was completed in two stages in August 2018, and March 2019;

Yellowknife Education District No.1	Enrolment		Teachers/	Early	Pupil/Teacher ratio	
	K-12	JK	Admin/ PST	Childhood	K-12	JK
School	Sep-18	Sep-18	K-12	Instructors		
Mildred Hall School	249.00	19.00	16.50	2.00	15.09	9.50
JH Sissons	277.00	68.00	17.15	6.00	16.15	11.33
William McDonald School	264.00		17.65		14.96	
NJ Macpherson School	272.00	56.50	17.00	6.00	16.00	9.42
Range Lake North School	241.00	19.00	17.53	2.00	13.75	9.50
Sir John Franklin High School	636.80		33.00		19.30	
<b>Total District</b>	<b>1,939.8</b>	<b>162.5</b>	<b>118.83</b>	<b>16.00</b>	<b>16.32</b>	<b>10.16</b>

Overall enrolment for September 2018 is 2102.30, an increase of 59.30 full time equivalent (FTE) students from September 2017.

## Summary and Outlook

In 2018-2019, YK1 faced many challenges including important decisions about the New School Rebuild to replace the JHS School scheduled for July 2020. The Department of Education, Culture and Employment chose to build the new school at the existing JHS School site. YK1 Administration is part of the Steering Committee for JHS, which has representatives from the Department of Education, Culture, and Employment and from the Department of Infrastructure. The JHS Principal and member from the Parent Advisory Group are members on the JHS Advisory Committee with members from the Department of Infrastructure. YK1 has been working with the JHS Accommodation contractor and the JHS steering committee to complete the Accommodations plan for students during the two years of construction. The project is schedule to start July 2020. The Department of Infrastructure has awarded the design of the new school to Stantec.

Working with The Department of Education and the Department of Infrastructure to plan the WMS roof replacement (October 2019) and the mold abatement (July 2019)

The completion of the Hazardous Materials Abatement of the Maintenance Shop, and the start if the Mildred Hall School Parking lot and drop off.

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 ESJF to include more CTS modules and a drones class
  - Workshops and field trips to various Yellowknife establishments
- 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 meetings and Town Halls to discuss the JHS Accommodations plan and new school site selection to give parents and opportunity to provide input.

## **Foreseeable Challenges for 2019-2020**

- The planning and implementation of the construction of a new École J.H. Sissons School, and the student accommodations plan
- Formal request to Members of the Legislative Assembly to extend the Board of Trustees term of office from three years to four years to coincide with the City of Yellowknife City Councilor's term of office.
- ECE has completed a bussing review for the NWT. The three Yellowknife school boards will be working with ECE to decide on the options for Junior Kindergarten bussing. A request for proposal for bussing will be posted in early 2020
- Mental Health challenges such as increase with teen suicide, depression. Allocating sufficient resources such as the addition of an Educational Psychologist at the high school to help students with mental health challenges.



# Yellowknife District No. 1 Education Authority

(the Authority)

## Management Responsibility for Financial Reporting

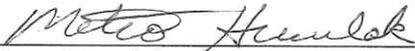
### To the Minister of Education, Culture and Employment Government of the Northwest Territories

The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted are the responsibility of 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

## **Independent Auditors' Report**

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

#### **Report on the Audit of the Financial Statements**

We have audited the accompanying financial statements of the Yellowknife District No. 1 Education Authority (the Authority), which comprise of the statement of financial position as at June 30, 2019, 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Yellowknife District No. 1 Education Authority as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Report on Compliance with Specified Authorities*

In conjunction with the audit of the financial statements, we have audited transactions of the Authority coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Government of the Northwest Territories - Department of Education, Culture and Employment.

In our opinion, the transactions of the Authority that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above.

Management is responsible for the Authority's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the entity to comply with the specified authorities.

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.





# Yellowknife District No. 1 Education Authority

(the Authority)

## Statement of Financial Position

Statement 1

As at June 30,	2019	2018
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash (Note 4)	5,291,918	2,906,917
Portfolio Investments (Note 7)	4,126,915	5,060,814
Due from Government of Canada (Note 13)	102,327	179,015
Accounts Receivable (Note 8)	276,213	1,241,007
	<b>9,797,373</b>	<b>9,387,753</b>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities (Note 10)	501,228	584,884
Payroll liabilities (Note 10)	5,134,148	4,699,310
Leave and Termination Benefits (Note 17)	1,720,878	1,651,023
Vacation payable (Note 10)	204,094	277,740
Deferred revenue (Note 11)	450,014	145,000
	<b>8,010,362</b>	<b>7,357,957</b>
<b>NET FINANCIAL ASSETS</b>	<b>1,787,011</b>	<b>2,029,796</b>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid Expenses (Note 20)	124,333	96,832
Tangible Capital Assets (Note 19)	11,872,352	12,743,455
Inventories (Note 9)	58,766	28,406
	<b>12,055,451</b>	<b>12,868,693</b>
<b>ACCUMULATED SURPLUS (Note 36)</b>	<b>13,842,462</b>	<b>14,898,489</b>
<b>Represented by:</b>		
Operating Fund	444,854	511,577
Investment in Tangible Capital Assets	11,872,352	12,743,455
Decentralized Surplus	365,440	386,496
Capital Fund Reserve	904,165	904,165
LED Reserve	255,651	352,796
	<b>13,842,462</b>	<b>14,898,489</b>

Contractual Obligations (Note 22), Contingencies (Note 23)

Approved on behalf of the board:

Trustee Satish G/

Trustee Jina Drew



# Yellowknife District No. 1 Education Authority

(the Authority)

## Statement of Operations

## Statement 2

For the year ended June 30,

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>REVENUE</b>			
<b>Government of the Northwest Territories</b>			
Regular contributions	27,992,844	28,180,648	27,852,910
Other contributions	123,000	130,000	165,456
Indigenous languages	-	69,000	181,000
French revenue	500,000	499,250	502,648
<b>Total ECE (Note 31)</b>	<b>28,615,844</b>	<b>28,878,898</b>	<b>28,702,014</b>
<b>GNWT other contributions (Note 32)</b>	<b>-</b>	<b>141,610</b>	<b>144,390</b>
<b>Government of Canada - Jordan's Principle</b>	<b>-</b>	<b>909,680</b>	<b>56,650</b>
<b>Other education bodies</b>	<b>261,500</b>	<b>246,267</b>	<b>172,712</b>
<b>Property tax requisitioned</b>	<b>6,331,000</b>	<b>6,339,311</b>	<b>6,241,400</b>
<b>Education authority generated funds</b>			
Rental income	380,000	386,115	390,525
Portfolio investment income	110,000	206,865	155,461
Other	140,000	159,242	44,521
	630,000	752,222	590,507
<b>Total revenue</b>	<b>35,838,344</b>	<b>37,267,988</b>	<b>35,907,673</b>
<b>EXPENDITURES</b>			
School programs	23,376,306	23,405,977	23,018,191
Inclusive schooling	6,480,631	7,521,033	6,153,106
Staff accommodations	197,500	121,865	285,951
Operations and maintenance	3,358,270	3,661,354	3,719,416
Administration	1,503,872	1,532,144	1,477,352
Indigenous language/cultural programs	1,281,304	1,210,539	1,117,719
Amortization	-	943,984	914,776
<b>Total operating expenditures</b>	<b>36,197,883</b>	<b>38,396,896</b>	<b>36,686,511</b>
<b>Operating surplus (deficit) before other items</b>	<b>(359,539)</b>	<b>(1,128,908)</b>	<b>(778,838)</b>
<b>Other items</b>			
Grant in-kind - GNWT assets provided at no cost (Note 21)	-	45,843	45,843
Rent expense - GNWT assets provided at no cost (Note 21)	-	(45,843)	(45,843)
Transfer to tangible capital assets	-	72,881	-
<b>Operating surplus (deficit)</b>	<b>(359,539)</b>	<b>(1,056,027)</b>	<b>(778,838)</b>
<b>Opening accumulated surplus</b>	<b>-</b>	<b>14,898,489</b>	<b>15,677,327</b>
<b>Closing accumulated surplus (deficit)</b>	<b>(359,539)</b>	<b>13,842,462</b>	<b>14,898,489</b>



# Yellowknife District No. 1 Education Authority

(the Authority)

## Statement of Changes in Net Financial Assets

Statement 3

For the ended June 30,	2019 Budget \$	2019 Actual \$	2018 Actual \$
Operating surplus (deficit)	(359,539)	(1,056,027)	(778,838)
Acquisition of tangible capital assets	-	(72,881)	(119,792)
Amortization of tangible capital assets	-	943,984	914,776
	(359,539)	(184,924)	16,146
Acquisition of supplies inventories	-	(58,766)	(28,406)
Consumption of supplies inventories	-	28,406	20,280
Purchase of prepaid expenses	-	(124,333)	(96,832)
Use of prepaid expenses	-	96,832	133,539
	-	(57,861)	28,581
<b>Increase in net financial assets</b>	<b>(359,539)</b>	<b>(242,785)</b>	<b>44,727</b>
<b>Net financial asset at beginning of year</b>	<b>2,029,796</b>	<b>2,029,796</b>	<b>1,985,069</b>
<b>Net financial asset at end of year</b>	<b>1,670,257</b>	<b>1,787,011</b>	<b>2,029,796</b>

**Yellowknife District No. 1 Education Authority****(the Authority)****Statement of Cash Flows****Statement 4**

<b>For the year ended June 30,</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING TRANSACTIONS</b>		
Operating deficit	(1,056,027)	(778,838)
<b>Item not affecting cash:</b>		
Amortization	943,984	914,776
<b>Changes in non-cash assets and liabilities</b>		
Decrease in due from Government of Canada	20,038	44,092
Decrease (increase) in accounts receivable	1,021,443	(374,446)
Increase (decrease) in accounts payable	(83,656)	73,555
Increase in payroll liabilities	434,838	300,282
Decrease in leave and termination benefits	69,855	(54,401)
Decrease in vacation payable	(73,646)	(13,244)
Increase in deferred revenue	305,014	125,000
Decrease (increase) prepaid expenses	(27,501)	36,708
Increase in inventories	(30,360)	(8,126)
<b>CASH PROVIDED BY (USED FOR) OPERATING TRANSACTIONS</b>	<b>1,523,982</b>	<b>265,358</b>
<b>INVESTING TRANSACTIONS</b>		
Disposition of portfolio investments	933,900	-
Acquisition of portfolio investments	-	(29,003)
<b>CASH PROVIDED (USED FOR) BY INVESTING TRANSACTIONS</b>	<b>933,900</b>	<b>(29,003)</b>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(72,881)	(119,792)
<b>CASH USED FOR CAPITAL TRANSACTIONS</b>	<b>(72,881)</b>	<b>(119,792)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,385,001</b>	<b>116,563</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>2,906,917</b>	<b>2,790,354</b>
<b>CASH AT END OF YEAR</b>	<b>5,291,918</b>	<b>2,906,917</b>



# Yellowknife District No. 1 Education Authority

(the Authority)

## Details of Expenditures

## Statement 5

For the year ended June 30,	School Programs \$	Inclusive Schooling \$	Staff Accommodation \$	Operations and Maintenance \$	Administration \$	Indigenous Languages \$	Total 2019 \$	Budget 2019 \$	Total 2018 \$
<b>SALARIES</b>									
Honoraria	-	-	-	-	73,479	69,684	143,163	77,348	113,541
Instructional assistants	1,242,182	2,426,793	-	-	-	186,609	3,855,584	3,709,965	3,562,788
Non-instructional staff	2,081,079	-	-	486,252	958,756	218,995	3,745,082	3,599,058	3,780,675
Teachers	14,188,963	3,515,866	-	-	-	338,325	18,043,154	18,885,963	16,608,951
	17,512,224	5,942,659	-	486,252	1,032,235	813,613	25,786,983	26,272,334	24,065,955
<b>EMPLOYEE BENEFITS</b>									
Employee benefits/allowances	3,321,981	1,069,879	-	109,301	171,643	121,523	4,794,327	3,425,907	4,501,513
Leave and termination benefits	(6,778)	32,605	-	1,878	39,532	2,619	69,856	-	(54,401)
	3,315,203	1,102,484	-	111,179	211,175	124,142	4,864,183	3,425,907	4,447,112
<b>SERVICES PURCHASED</b>									
Advertising and printing	2,094	-	-	-	34,161	-	36,255	30,800	22,541
Communication	59,424	833	-	8,101	43,498	-	111,856	91,300	114,742
Contracted services	273,922	280,604	-	345,325	-	127,514	1,027,365	1,131,329	881,588
Maintenance and repairs	49,570	14,042	12,404	761,182	6,913	4,330	848,441	898,770	1,106,134
Other	136,558	-	-	-	112,372	-	248,930	-	276,143
Professional and technical	449,677	46,606	-	1,644	35,789	57,509	591,225	407,500	682,157
Rentals and leases	138,867	-	-	-	7,841	-	146,708	228,613	176,193
Student transportation	422,806	88,108	-	-	-	13,880	524,794	480,000	443,125
Travel	95,528	-	-	-	-	8,382	103,910	95,000	95,663
Utilities									
Heating	-	-	49,323	779,146	-	-	828,469	835,000	780,367
Electricity	-	-	34,386	984,773	-	-	1,019,159	900,000	991,632
Water/Sewage	-	-	24,602	183,660	-	-	208,262	172,000	203,705
	1,628,446	430,193	120,715	3,063,831	240,574	211,615	5,695,374	5,270,312	5,773,990
<b>MATERIALS</b>									
Awards and student events	15,075	-	-	-	29,153	-	44,228	-	23,538
Freight	6,852	-	-	92	813	-	7,757	31,699	8,103
Materials and supplies	928,177	45,697	1,150	-	18,194	61,169	1,054,387	1,197,631	1,453,037
	950,104	45,697	1,150	92	48,160	61,169	1,106,372	1,229,330	1,484,678
<b>AMORTIZATION</b>									
	943,984	-	-	-	-	-	943,984	-	914,776
<b>Total operating expenditures</b>	<b>23,405,977</b>	<b>7,521,033</b>	<b>121,865</b>	<b>3,661,354</b>	<b>1,532,144</b>	<b>1,210,539</b>	<b>38,396,896</b>	<b>36,197,883</b>	<b>36,686,511</b>



# Yellowknife District No. 1 Education Authority

(the Authority)

## Details of Indigenous Language and Culture-Based Education Expenditures

Statement 6

<b>For the year ended June 30,</b>	Student Instruction \$	Teaching and Learning Resources \$	Professional Development \$	School Activities and Integrated Community Programs \$	<b>Total 2019 \$</b>
<b>SALARIES</b>					
ALCBE Teachers	319,700	6,495	-	12,130	338,325
Instructional Assistants	133,156	22,272	-	31,181	186,609
Non Instructional Staff	101,168	48,953	-	68,874	218,995
Elders in Schools	-	-	-	69,684	69,684
	554,024	77,720	-	181,869	813,613
<b>EMPLOYEE BENEFITS</b>	86,238	21,046	-	16,858	124,142
<b>SERVICES PURCHASED</b>					
Professional and technical	8,457	-	5,553	-	14,010
Student transportation	13,880	-	-	-	13,880
Contracted services	-	127,514	51,956	34,777	214,247
	22,337	127,514	57,509	34,777	242,137
<b>MATERIALS</b>					
Materials and supplies	-	30,647	-	-	30,647
<b>Total operating expenditures</b>	662,599	256,927	57,509	233,504	1,210,539



**Yellowknife District No. 1 Education Authority**

**(the Authority)**

**Details of Inclusive Schooling Expenditures**

**Statement 7**

<b>For the year ended June 30,</b>	<b>Staff Development \$</b>	<b>Assistive Technology \$</b>	<b>Magnet Facilities \$</b>	<b>Jordan's Principle \$</b>	<b>General Inclusive Schooling \$</b>	<b>Total 2019 \$</b>
<b>SALARIES</b>						
Regional Coordinator	-	-	-	-	149,588	149,588
Program support						
teachers/counsellors	49,054	-	485,867	141,041	2,690,316	3,366,278
Support assistants	-	-	71,270	492,485	1,863,038	2,426,793
	49,054	-	557,137	633,526	4,702,942	5,942,659
<b>EMPLOYEE BENEFITS</b>						
	-	-	103,105	80,627	918,753	1,102,485
<b>SERVICES PURCHASED</b>						
Professional and technical	158,580	-	-	86,675	-	245,255
Student transportation		-	-	75,071	-	75,071
Contracted services	43,606	-	-	4,443	14,388	62,437
	202,186	-	-	166,189	14,388	382,763
<b>MATERIALS</b>						
Materials and supplies	12,558	11,830	25,360	29,336	14,042	93,126
	12,558	11,830	25,360	29,336	14,042	93,126
<b>Total operating expenditures</b>	<b>263,798</b>	<b>11,830</b>	<b>685,602</b>	<b>909,678</b>	<b>5,650,125</b>	<b>7,521,033</b>



(the Authority)

**Report on Activities of Specific Programs**

**Statement 8**

**French Language Program**

**BILATERAL AGREEMENT FUNDING**

**For the year ended June 30, 2019**

	<b>Contribution from the Department \$</b>	<b>Commitment from the Authority \$</b>	<b>Expenses \$</b>	<b>Over (under) funding \$</b>
Teacher Assistants (Salary)	35,000	35,000	81,014	(11,014)
Literacy Coach (Salary)	70,000	67,000	142,890	(5,890)
Intensive & PIF (Salary)	70,000	230,000	605,791	(305,791)
PIF (Elective courses at SJF)	12,000	3,000	14,118	882
<b>Special Projects</b>				
French Camps	35,000	5,000	33,948	6,052
Assessment, Intensive French	35,000	7,000	39,107	2,893
French Resources	40,000	7,000	73,318	(26,318)
Cultural Activities	12,000	3,000	11,279	3,721
Professional Development	33,000	7,000	41,494	(1,494)
Consultant	80,000	130,000	197,694	12,306
<b>Total</b>	<b>422,000</b>	<b>494,000</b>	<b>1,240,653</b>	<b>(324,653)</b>



# Yellowknife District No. 1 Education Authority

(the Authority)

## Report on Activities of Specific Programs

Statement 9

### Indigenous Languages

For the year ended June 30,	July 1 to March 31	April 1 to June 30	2019
	\$	\$	\$
<b>Secretary of State (Heritage Canada)</b>			
<b>Revenue</b>			
Contribution from federal government	69,000	-	<b>69,000</b>
<b>Expenses</b>			
Salaries and benefits	-	38,371	<b>38,371</b>
Other operating and maintenance	27,478	104,016	<b>131,494</b>
	27,478	142,387	<b>169,865</b>
Surplus, March 31	41,522	-	
Deficit, June 30	-	(142,387)	
<b>Surplus (deficit)</b>	<b>41,522</b>	<b>(142,387)</b>	<b>(100,865)</b>



**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,

2019  
\$

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**Revenue**

Government of the Northwest Territories  
Surplus carry-over

123,000  
37,831

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**Total revenue**

160,831

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**Expenses**

**Salaries/Wages**

Facilitator fees (including per diems)  
Substitute teacher wages

93,727  
49,054

**Travel**

Other expenses (ACC Membership)

3,000

**Workshop expenses**

Staff PD and miscellaneous

-  
15,175

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**Total expenses**

160,956

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**Deficit**

(125)

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**Yellowknife District No. 1 Education Authority**

(the Authority)

**Report on Activities of Specific Programs**

**Statement 11**

**UIIP-DIAND Funding**

For the year ended June 30,

2019  
\$

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**Revenue**

120,000

**Expenses**

Salaries and benefits

129,042

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**Deficit**

(9,042)

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**Yellowknife District No. 1 Education Authority**

(the Authority)

**Yellowknife District No. 1 Education Authority**

(the Authority)

**Report on Activities of Specific Programs**

**Statement 12**

**Jordan's Principle**

<b>For the Year Ended June 30,</b>	<b>2019 Budget \$</b>	<b>2019 Actual \$</b>	<b>2018 Actual \$</b>
<b>Revenue</b>			
Government of Canada			
- First Nation and Inuit Health Branch	1,230,302	<b>1,230,302</b>	150,000
Carry Forward from Previous Year	93,350	<b>93,350</b>	-
<b>Total Revenue</b>	<b>1,323,652</b>	<b>1,323,652</b>	<b>150,000</b>
<b>Expenses</b>			
Administration	-	-	-
Personnel	1,082,110	<b>714,153</b>	29,570
Transportation	75,000	<b>75,071</b>	-
Materials and Supplies	17,807	<b>29,336</b>	-
Rent and Utilities	-	-	-
Evaluation	73,600	<b>36,100</b>	26,000
Speech	58,676	<b>35,821</b>	1,080
Other	16,459	<b>19,197</b>	-
<b>Total Expenses</b>	<b>1,323,652</b>	<b>909,678</b>	<b>56,650</b>
<b>Net Surplus</b>	-	<b>413,974</b>	<b>93,350</b>
<b>Deferred Revenue</b>	-	<b>413,974</b>	<b>93,350</b>



# Yellowknife District No. 1 Education Authority

(the Authority)

## Notes to Consolidated Financial Statements

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June 30, 2019

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### 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 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 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.

#### b) Cash and Cash Equivalents

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



**June 30, 2019**

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**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 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.



**June 30, 2019**

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**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
School and Other 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.



**June 30, 2019**

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**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.



**June 30, 2019**

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**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 reasonably estimated.



**June 30, 2019**

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## **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) 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 the original Minister approved budget for the school year. Schools carry forward surplus or deficit amounts from their school budgets.



**June 30, 2019**

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**2. Significant Accounting Policies (Continued)**

**h) 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.

**i) Inventories Including Materials and Supplies**

Supplies inventory held for consumption or use are recorded at the lower of historical cost and replacement cost.

**j) Payroll Liabilities**

Payroll costs for teachers are accrued for July and August.

**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 Authority and other criteria as outlined in the negotiated employment collective agreements or their excluded contracts.

**l) Expenses**

Expenses are recorded on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**m) Foreign Currency Translation**

Foreign currency transactions are to be translated in Canadian dollars. Revenue and expenses denominated in a foreign currency are reported at a rate in the date of the transaction. Monetary items that have yet to be settled at the exchange rate are translated at the exchange rate in effect on the date of financial statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.



**June 30, 2019**

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## **2. Significant Accounting Policies (Continued)**

### **n) 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.

### **o) Fund Accounting**

The Authority uses fund accounting to separate transactions between its Operating fund surplus, Investment in tangible capital assets, decentralized surplus, capital fund reserve and the LED reserve.

#### **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.



**June 30, 2019**

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**2. Significant Accounting Policies (Continued)**

**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.

**Capital Fund Reserve**

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

**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.

**Decentralized Surplus**

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

**p) Inter-entity transactions**

Inter-entity transactions are transactions between commonly controlled entities and GNWT departments.

Inter-entity transactions are recorded at the exchange amount when they are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length.



**June 30, 2019**

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**2. Significant Accounting Policies (Continued)**

**q) Related parties**

The Authority initially measures related party balances in accordance with the substance of the transactions that gave rise to them. The Authority subsequently measures related party balances in accordance with the Authority's policies for financial instruments, as set out in note (c). The Authority is related in terms of common control to all Government of the Northwest Territories departments, board and agencies.

The Authority enters into transactions with these entities in the normal course of business and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

**3. Future Accounting Changes and Adoption of New Accounting Standards**

**Asset Retirement Obligations, Proposed Section PS 3280**

This section will be effective for fiscal years beginning on or after July 1, 2021 and is intended to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset retirement obligations, including obligations that may not have previously been reported. This section would require public sector entities to review existing contract, legislation, regulations, and other sources to identify retirement activities associated with its controlled tangible capital assets.

The impact of the transition to this proposed accounting standard, if any, has not yet been determined.

**Revenue, Proposed Section PS 3400**

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". This section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

The impact of the transition to this proposed accounting standard, if any, 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 financial statements of the Authority in the future.



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**4. Cash**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Cash	<b>5,291,918</b>	<b>2,906,917</b>

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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.



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**June 30, 2019**

**7. Portfolio Investments**

	2019	2018
	\$	\$
<b>RBC Dominion Securities Investment 1</b>		
Balance at June 30	-	1,009,120
Dollar Value of Interest earned	-	9,120
Cost of Investment	-	1,000,000
Market Value	-	1,009,120
Balance at March 31	-	1,005,374
Date Purchased: 17 November 2016		
Term of Investment: 2 years		
Maturity Date: 17 November 2018		
Annual Interest Rate: 1.522%		

	2019	2018
	\$	\$
<b>RBC Dominion Securities Investment 2</b>		
Balance at June 30	<b>1,013,356</b>	1,013,412
Dollar Value of Interest earned	<b>13,356</b>	13,412
Cost of Investment	<b>1,000,000</b>	1,000,000
Market Value	<b>1,013,356</b>	1,013,412
Balance at March 31	<b>1,008,162</b>	1,008,162
Date Purchased: 6 November 2017		
Term of Investment: 2 years		
Maturity Date: 6 November 2019		
Annual Interest Rate: 2.092%		

	2019	2018
	\$	\$
<b>CIBC Wood Gundy Investment 1</b>		
Balance at June 30	<b>2,067,160</b>	2,009,880
Dollar Value of Interest earned	<b>67,160</b>	9,880
Cost of Investment	<b>2,000,000</b>	2,000,000
Market Value	<b>2,067,160</b>	2,009,880
Balance at March 31	<b>2,052,728</b>	2,000,000
Date Purchased: 26 April 2018		
Term of Investment: 3 Years		
Maturity Date: 27 April 2021		
Annual Interest Rate: 2.85%		



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**Notes to Consolidated Financial Statements**

**June 30, 2019**

	2019	2018
	\$	\$
<b>CIBC Wood Gundy Investment 2</b>		
Balance at June 30	<b>1,046,399</b>	1,028,402
Dollar Value of Interest earned	<b>46,399</b>	28,402
Cost of Investment	<b>1,000,000</b>	1,000,000
Market Value	<b>1,046,399</b>	1,028,402
Balance at March 31	<b>1,041,883</b>	1,023,953
Date Purchased: 15 June 2017		
Term of Investment: 29 months		
Maturity Date: 18 November 2019		
Annual Interest Rate: 1.75%		

These are guaranteed investment certificates (GIC) with CIBC Wood Gundy and RBC Investment Securities with fixed income interest rates and fixed term dates. The investments are low risk to the Authority. The total investments with prior year comparative figures are presented below:

	2019	2018
	\$	\$
<b>RBC Dominion Securities</b>		
Investment 1	-	1,009,120
Investment 2	<b>1,013,356</b>	1,013,412
	<b>1,013,356</b>	2,022,532
<b>CIBC Wood Gundy</b>		
Investment 1	<b>2,067,160</b>	2,009,880
Investment 2	<b>1,046,399</b>	1,028,402
	<b>3,113,559</b>	3,038,282
<b>Total portfolio investments</b>	<b>4,126,915</b>	5,060,814



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**Notes to Consolidated Financial Statements**

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**8. Accounts Receivable**

	2019	2018
	\$	\$
Accrued interest receivable	10,000	-
Due from related parties (Note 24)	215,136	865,046
Due from Government of the Northwest Territories (Note 24)	16,688	138,692
Due from WSCC	-	-
Other	34,389	237,269
<b>Total</b>	<b>276,213</b>	<b>1,241,007</b>

Allowance for doubtful accounts at June 30, 2019 is \$nil (2018: \$nil).

**9. Inventories**

Inventory consists of computer equipment held for use for the next school year.

**10. Accounts Payable and Accrued Liabilities**

	2019	2018
	\$	\$
Environmental liabilities (Note 35)	110,938	100,485
Accrued interest	34	25
Damage deposits	24,953	25,938
Due to Commission Scolaire Francophone TNO (Note 24)	15,770	-
Trade payable	349,533	450,815
Due to Government of Northwest Territories (Note 24)	-	7,621
	<b>501,228</b>	<b>584,884</b>
<b>Payroll Liabilities</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
To employees (July & August wages & deferred NEBS pension )	5,134,148	4,699,310
Vacation payable (annual leave)	204,094	277,740
	<b>5,338,242</b>	<b>4,977,050</b>



# Yellowknife District No. 1 Education Authority

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## Notes to Consolidated Financial Statements

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June 30, 2019

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### 11. Deferred Revenue

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

	2019	2018
	\$	\$
Tree of Peace	-	120,000
Jordan's Principal - Federal	413,974	-
GNWT ECE - Curriculum	36,040	-
GNWT MACA - Youth Corps	-	10,000
Tides Canada	-	15,000
	<b>450,014</b>	<b>145,000</b>

### 12. Contribution Repayable

The Authority does not have any contribution repayable.

### 13. Due from the Government of Canada

Receivables	2019	2018
	\$	\$
GST Receivable	102,327	122,365
Projects on behalf of the Government of Canada	-	56,650
	<b>102,327</b>	<b>179,015</b>

### 14. Capital Lease Obligations

The Authority does not have any Capital Lease Obligations.



**June 30, 2019**

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## **15. Pension**

The Authority makes contributions to the Northern Employee Benefits (NEBS) Pension Plan ("the 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 \$3,595,159. 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 \$171,368 for January 2019, and \$166,787 for January 2018. The maximum monthly contributions is \$3,026 for January 2019, and \$2,944 for January 2018.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 3,202 Employee Members and 111 Employer Members (total active, disabled and on leave: 1,930).

As of January 1, 2019, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be \$25,300,000 - funded ratio 112% (2018 - \$24,000,000 and 112%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of \$128,900,000 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, 2018, the NEBS Pension plan Trust Fund balance of \$15,123,613.

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.



**June 30, 2019**

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## **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, 2019. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 2019 and the results extrapolated to June 30, 2019. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Authority.



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**Notes to Consolidated Financial Statements**

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**17. Other Employee Future Benefits and Compensated Absences (Continued)**

<b>Changes in Obligation</b>	<b>Severance and Removal \$</b>	<b>Compensated Absences \$</b>	<b>2019 \$</b>	<b>2018 \$</b>
Accrued benefit obligation beginning of year	805,972	402,974	1,208,946	1,729,606
Current period benefit cost	74,588	34,886	109,474	111,371
Interest accrued	31,017	15,642	46,659	49,984
Benefits payments	(11,622)	(45,011)	(56,633)	(218,771)
Actuarial (gain)/loss	317,166	46,692	363,858	(463,244)
Plan amendments	25,245	-	25,245	-
<b>Accrued benefit obligation end of year</b>	<b>1,242,366</b>	<b>455,183</b>	<b>1,697,549</b>	<b>1,208,946</b>
Unamortized net actuarial loss/(gain)	195,086	(171,757)	23,329	442,077
<b>Total employee future benefits and compensated absences</b>	<b>1,437,452</b>	<b>283,426</b>	<b>1,720,878</b>	<b>1,651,023</b>
Benefits Expense				
Current period benefit cost	74,588	34,886	109,474	111,371
Interest accrued	31,017	15,642	46,659	49,984
Amortization of net actuarial (gain)/loss	(74,394)	19,504	(54,890)	3,015
Plan amendments	25,245	-	25,245	-
<b>Total benefits expense</b>	<b>56,456</b>	<b>70,032</b>	<b>126,488</b>	<b>164,370</b>



(the Authority)

**Notes to Consolidated Financial Statements**

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**June 30, 2019**

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**17. Other Employee Future Benefits and Compensated Absences (Continued)**

The discount rate used in the 2018 fiscal year to determine the accrued benefit obligation was an average of 3.2% (2018 - 3.8%). The expected payments during the next five fiscal years are:

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>Total</b>
	\$	\$	\$
2019	125,449	55,505	<b>180,954</b>
2020	116,626	52,328	<b>168,954</b>
2021	113,709	50,691	<b>164,400</b>
2022	111,560	51,968	<b>163,528</b>
2023	109,538	56,994	<b>166,532</b>
2024-2028	418,807	220,410	<b>639,217</b>
<b>Total</b>	<b>995,689</b>	<b>487,896</b>	<b>1,483,585</b>

**18. Trust Assets Under Administration**

The Authority does not have any trust assets under administration.

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**Notes to Consolidated Financial Statements**

June 30, 2019

**19. Tangible Capital Assets**

							2019	2018
	Cost	Additions	Disposals	Amortization	Accumulated Amortization beginning of year	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Land and improvements</b>	1,299,476	-	-	-	-	-	1,299,476	1,299,476
<b>School buildings</b>								
Ecole Sir John Franklin	2,253,436	-	-	(56,247)	(1,135,789)	(1,192,036)	1,061,400	1,117,647
William McDonald	7,078,328	-	-	(176,958)	(6,370,495)	(6,547,453)	530,875	707,833
Mildred Hall	11,009,651	-	-	(275,241)	(6,301,915)	(6,577,156)	4,432,495	4,707,736
Range Lake North	8,215,859	-	-	(205,396)	(5,134,912)	(5,340,308)	2,875,551	3,080,947
N. J. Macpherson	5,329,162	-	-	(136,459)	(4,089,291)	(4,225,750)	1,103,412	1,239,871
Ecole J. H. Sissons	2,436,769	-	-	-	(2,436,769)	(2,436,769)	-	-
	36,323,205	-	-	(850,301)	(25,469,171)	(26,319,472)	10,003,733	10,854,034
<b>Other buildings</b>								
Administration office	1,070,827	-	-	(26,771)	(669,267)	(696,037)	374,789	401,560
Nordic Arms residence	595,205	-	-	-	(595,205)	(595,205)	-	-
<b>Total land and buildings</b>	39,288,713	-	-	(877,072)	(26,733,643)	(27,610,714)	11,677,998	12,555,070
<b>Equipment and furnishings</b>								
Schools	4,546,839	-	-	(54,478)	(4,384,184)	(4,438,662)	108,177	162,655
Playgrounds	149,972	-	-	-	(149,972)	(149,972)	-	-
Residences	64,045	-	-	-	(64,045)	(64,045)	-	-
Administration office	322,132	-	-	-	(322,132)	(322,132)	-	-
Vehicles	246,532	72,881	-	(12,434)	(220,802)	(233,236)	86,177	25,730
	5,329,520	72,881	-	(66,912)	(5,141,135)	(5,208,047)	194,354	188,385
	44,618,233	72,881	-	(943,984)	(31,874,778)	(32,818,761)	11,872,352	12,743,455



**Yellowknife District No. 1 Education Authority**

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**Notes to Consolidated Financial Statements**

June 30, 2019

**20. Prepaid Expenses**

	2019	2018
	\$	\$
Insurance	47,774	11,679
Professional Development	1,750	5,835
Materials and Supplies	-	23,860
Leases	22,588	20,655
WSSC	52,221	34,803
	<b>124,333</b>	<b>96,832</b>

**21. GNWT Assets Provided at no Cost**

The following assets were provided to the Authority by the GNWT at no cost.

	Cost	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
	\$	\$	\$	\$
Ecole Sir John Franklin	25,965,232	25,965,232	-	-
Ecole Sir John Franklin portable classrooms	419,724	327,937	91,787	102,277
N.J. Macpherson	1,413,831	415,110	998,721	1,034,074
	27,798,787	26,708,279	<b>1,090,508</b>	1,136,351
<b>Deferred capital contributions</b>				
Ecole Sir John Franklin	(1,442,500)	(1,442,500)	-	-
	26,356,287	25,265,779	<b>1,090,508</b>	1,136,351

Rent expense of \$45,843 (2018 - \$45,843) was offset by a grant in-kind.



**June 30, 2019**

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**22. Contractual Obligations**

The Authority has a contract with First Student for student transportation. The Authority is invoiced monthly and the amounts vary depending on a number of factors including: the number of students, routes, and bus passes sold. The contract is renewed until June 2020.

The Authority leases space from Route 51. The contract is renewed until June 2020.

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, 2019. The Authority will commence negotiations with the United Steelworkers union in the fall of 2019 for the July 1, 2019 to June 30, 2021 contract.

The Authority has a Ricoh photocopy equipment leases and Lenovo lease for computers.

	Expiry Date	2020 \$	2021 \$	Total \$
<b>Equipment Leases:</b>				
Ricoh Route 51	1 July 2021	2,024	2,024	4,048
Ricoh SJF	4 June 2021	7,815	5,861	13,676
Ricoh	30 Mar 2021	20,198	15,149	35,347
Lenovo JHS	1 Nov 2019	796	-	796
Lenovo WMS	1 Apr 2020	3,493	-	3,493
<b>Operational Contracts:</b>				
First Student Bussing	30 Jun 2020	440,000	-	440,000
<b>Commercial &amp; Residential Leases:</b>				
Route 51	30 Jun 2020	37,800	-	37,800
<b>Total</b>		<b>512,126</b>	<b>23,034</b>	<b>535,160</b>

**23. Contingencies**

The Authority does not have contingencies.



**June 30, 2019**

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## **24. Related Parties**

During the year, the Authority entered into transactions with the following related parties:

- Aurora College, common control
- Ecole Allain St. Cyr, common control
- N'Dilo District Education Authority, common control
- Dettah District Education Authority, common control
- Commission Scolaire Francophone Territories Du Nord Ouest, common control
- Yellowknife Catholic Schools, common control
- South Slave DEC, common control
- Stanton Territorial Health Authority, common control
- Government of the Northwest Territories:
  - Department of Finance, common control
  - Department of Justice, common control
  - Department of Health & Social Services, common control
  - Department of Education, Culture and Employment, common control
  - Department of Municipal and Community Affairs, common control
  - Department of Environment and Natural Resources, common control
  - Department of Infrastructure, common control
  - Department of Industry, Tourism and Investment, common control



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

June 30, 2019

**24. Related Parties (Continued)**

	2019 \$	2018 \$
<b>Due to Related Parties (Accounts Payable):</b>		
<b>Government of the Northwest Territories:</b>		
Department of Finance	-	7,621
<b>Other Education Bodies:</b>		
Commission Scolaire Francophone TNO	15,770	-
<b>Total Due to Related Parties</b>	<b>15,770</b>	<b>7,621</b>
<b>Due from Related Parties (Accounts Receivable):</b>		
<b>Other Education Bodies:</b>		
Dehcho Divisional Education Council	617	-
N'Dilo District Education Authority	150,128	581,638
Dettah District Education Authority	64,391	263,695
Commission Scolaire Francophone TNO	-	19,713
<b>Subtotal - other related parties</b>	<b>215,136</b>	<b>865,046</b>
<b>Government of the Northwest Territories:</b>		
Department of Finance	-	10,214
Department of Education, Culture and Employment	16,688	128,478
<b>Subtotal - Government of the Northwest Territories</b>	<b>16,688</b>	<b>138,692</b>
<b>Total Due from Related Parties</b>	<b>231,824</b>	<b>1,003,738</b>

These balances due from related parties are unsecured, non-interest bearing with no specific terms of repayment.



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

June 30, 2019

**24. Related Parties (Continued)**

	2019	2018
	\$	\$
<b>Revenues from Related Parties:</b>		
<b>Government of the Northwest Territories:</b>		
Department of Education Culture & Employment - Regular contributions	28,180,648	27,852,910
Department of Education Culture & Employment - Other contributions	130,000	165,456
Department of Education Culture & Employment - Indigenous languages	69,000	181,000
Department of Education Culture & Employment - French languages	499,250	502,648
Department of Finance - Interest	105,044	69,032
Department of Health & Social Services - GNWT other contributions	20,560	16,290
Department of Municipal and Community Affairs - GNWT other contributions	112,550	128,100
Department of Environment and Natural Resources - GNWT other contributions	8,500	-
<b>Other Education Bodies:</b>		
Commission Scolaire Francophone TNO (CSF TNO)	3,943	21,963
N'Dilo District Education Authority	30,000	30,000
Dettah District Education Authority - Other education bodies	212,325	142,715
South Slave DEC - Other education bodies	-	15,000
<b>Total Revenues from Related Parties</b>	<b>29,371,820</b>	<b>29,125,114</b>



(the Authority)

**Notes to Consolidated Financial Statements**

June 30, 2019

**24. Related Parties (Continued)**

	2019 \$	2018 \$
<b>Expenses Paid to Related Parties:</b>		
<b>Government of the Northwest Territories:</b>		
Department of Infrastructure - Maintenance and repairs	3,803	5,108
Department of Industry, Tourism and Investment - Materials and supplies	-	2,090
Department of Financial and Employee Shared Services - Professional and technical	-	6,875
Department of Justice	100	-
Department of Education, Culture & Employment - Professional and technical	2,175	108,566
<b>Stanton Territorial Health Authority - Maintenance and repairs</b>	<b>6,683</b>	<b>929</b>
<b>Other Education Bodies:</b>		
Yellowknife Catholic Schools - Materials and supplies	-	3,499
Yellowknife Catholic Schools - Contracted services	-	795
Ecole Allain St. Cyr - Materials and supplies	-	305
Yellowknife Dene First Nation - Contracted Services	400	-
South Slave Divisional Education Council - Contracted services	915	-
Deh Cho Divisional Education Council - Materials & supplies	600	-
Aurora College - Professional and technical	-	904
<b>Total Expenses paid to Related Parties</b>	<b>14,676</b>	<b>129,071</b>

These 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.



**June 30, 2019**

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## **25. 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 12, 2018 and submitted to the Minister of Education, Culture and Employment and have not been audited. The Budget for fiscal year 2018/2019 was submitted to the minister on June 29, 2018 the budget deficit is \$359,539.

## **26. 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.



**June 30, 2019**

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## **27. 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, 2019, receivables from two organizations comprised approximately 90% (2018 - 83%) 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 daily balance in the operating bank account is invested with the GNWT Investment Pool. 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, 2019, less than 1% (2018 - 16%) of other account receivable was non-current which represents \$660 (2018 - \$168,374) 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.



(the Authority)

**Notes to Consolidated Financial Statements**

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June 30, 2019

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**27. 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, 2019 mature within the next six months. Total financial assets \$8,712,060 (2018 - \$8,683,013) of which \$2,067,160 (2018 - \$4,051,694) are not expected to mature within one year. Total financial liabilities are \$6,935,045 (2018 - \$7,357,955). The authority has disclosed future financial liabilities and commitments in Note 22.

**28. Expenditures By Object**

	2019 Budget \$	2019 Actual \$	2018 Actual \$
Amortization	-	943,984	914,776
Compensation	29,698,241	30,651,166	28,513,067
Other	6,499,642	6,801,746	7,258,668
	36,197,883	38,396,896	36,686,511

**29. Subsequent Events**

There were no material subsequent events that have taken place between June 30, 2019 and the date of the audit report.

**30. Comparative Figures**

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



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**31. ECE Contributions**

	Budget 2019 \$	Actual 2019 \$	Actual 2018 \$
Original Contribution	27,742,844	<b>27,792,229</b>	27,289,956
Student Success Initiatives	123,000	<b>123,000</b>	123,000
Updated Average Salary	-	<b>76,924</b>	16,883
Termination Benefits	200,000	<b>111,995</b>	424,938
French Language	500,000	<b>422,000</b>	422,000
Mentorship Release Time	50,000	<b>45,500</b>	54,132
Junior Kindergarten Materials	-	<b>14,000</b>	-
Birchbark Teaching Program	-	<b>140,000</b>	-
<b>Updated Contribution</b>	<b>28,615,844</b>	<b>28,725,648</b>	<b>28,330,909</b>
Indigenous Language	-	<b>69,000</b>	181,000
French Cultural Resources	-	<b>30,250</b>	-
French Library Revitalization	-	-	30,000
French Professional Development	-	-	800
French Partnership Funding SSDEC	-	<b>35,000</b>	35,000
French Language Communications	-	<b>12,000</b>	14,848
Inclusive Education - Self Regulation	-	<b>7,000</b>	5,500
Preschool Attendance (Prior Year difference)	-	-	20,457
Early Childhood Intervention	-	-	16,500
Labour Market Agreement for Persons with Disabilities	-	-	67,000
<b>Total Contributions</b>	<b>28,615,844</b>	<b>28,878,898</b>	<b>28,702,014</b>



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

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June 30, 2019

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**32. GNWT Other Contributions**

	Budget 2019	Actual 2019	Actual 2018
	\$	\$	\$
<b>Department of Municipal &amp; Community Affairs (MACA):</b>			
Active After School	-	92,550	91,800
Youth Corp	-	20,000	20,000
<b>Department of Health and Social Services (HSS):</b>			
Drop the Pop	-	20,560	16,290
<b>Department of Environment &amp; Natural Resources (ENR):</b>			
Take a Kid Trapping	-	8,500	16,300
Compost Program	-	-	-
<b>Total</b>	-	141,610	144,390

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**June 30, 2019**

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**33. Contingent Assets**

The Authority does not have contingent assets.

**34. Contractual Rights**

The Authority does not have contractual rights.

**35. Environmental Liabilities**

**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 purchased Environmental Liabilities Insurance in addition to the General Liabilities insurance to ensure adequate insurance coverage for the fuel tanks.

**Environmental Liabilities**

The Authority 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 completed and a Hazardous Materials management plan is put in place. Liabilities discovered as a result of the assessment were communicated to the GNWT Department of Education, Culture, and Employment. The abatement for the maintenance building was completed in March 2019. A liability has been recorded for the asbestos abatement of the remaining schools identified. This will be on as needed basis as the schools age and wear and tear on the items identified as containing Asbestos. Management will continue to monitor these buildings under the Hazardous Materials management plan.



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**36. Accumulated Surplus**

A consolidated statements of funds and surplus and reserves have been prepared as follows:

**Details of Funds**

<b>For the year ended June 30,</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING FUND</b>		
Balance, beginning of year	511,577	566,401
Operating surplus (deficit) (Statement 2)	(1,056,027)	(778,838)
Acquisition of tangible capital assets	(72,881)	(119,792)
Transfer from Investment in Tangible Capital Assets	943,984	914,776
Transfer (to) from Decentralized Surplus	21,056	(140,211)
Transfer to LED reserve	-	(30,518)
Transfer from LED reserve Utilities/LED Lights	97,145	99,759
<b>Balance, end of year</b>	<b>444,854</b>	<b>511,577</b>
<b>INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>		
Balance, beginning of year	12,743,455	13,538,439
Acquisition of tangible capital assets	72,881	119,792
Amortization	(943,984)	(914,776)
<b>Balance, end of year</b>	<b>11,872,352</b>	<b>12,743,455</b>



**Yellowknife District No. 1 Education Authority**

(the Authority)

**Notes to Consolidated Financial Statements**

**June 30, 2019**

**36. Accumulated Surplus (Continued)**

**Details of Surplus and Reserves**

For the year ended June 30,	2019	2018
	\$	\$
<b>DECENTRALIZED SURPLUS</b>		
Balance, beginning of year	386,496	246,285
Transfer (to) from Operating Fund	(21,056)	140,211
Balance, end of year	365,440	386,496
<b>CAPITAL FUND RESERVE</b>		
Balance, beginning of year	904,165	904,165
Balance, end of year	904,165	904,165
<b>LED RESERVE</b>		
Balance, beginning of year	352,796	422,037
Transfer from Operating Fund	-	30,518
Transfer to Operating Fund for Utility Costs	(97,145)	(99,759)
Balance, end of year	255,651	352,796

**Tlicho Community Services Agency  
Education Division  
Behchoko, NT**

**Non-Consolidated Report on Revenues and Expenses  
and Accumulated Surplus  
For the Year Ended June 30, 2019**

**Tlicho Community Services Agency  
Education Division  
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## Tlicho Community Services Agency

### Management Discussion and Analysis June 30, 2019

#### Introduction

The Tlicho Community Services Agency (TCSA) is a unique organization in the Northwest Territories in two significant ways.

Firstly, it is a Government of the Northwest Territories Agency, while incorporating the values and principles of the Tlicho people and having the longer term objective of transforming itself into an agency of the Tlicho Government.

Secondly, the Agency is the only one in the Northwest Territories to deliver both the health and social services as well as the education programs under one entity.

The advantage of the TCSA model is it has the ability to effectively integrate the delivery of the health and education programs, especially when it comes to early childhood development.

The Agency's 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 TCSA serves a population of approximately four thousand people (4,000) in the communities of Behchoko, Whati, Gameti and Wekweeti. The TCSA delivers its education programs through five schools from kindergarten to grade 12. In fiscal 2018-2019, we had 932 students enrolled in school.

As a result of the Agency delivering both the health and education programs, it also is accountable to both the Government of the Northwest Territories departments of health and education, which have two different fiscal year ends. The Agency prepares annual audited financial statements for health and education as at March 31 which is the Government of the Northwest Territories fiscal year end, as well as these audited reports for the department of education's fiscal year ending June 30.

#### Operating Environment

The Agency faces many challenges. Society is changing, our workforce is changing, so to ensure our children and youth have everything they need to become productive, self-sufficient, and successful members of society our schools must change as well: we must teach students how to think, how to analyze, and how to solve problems. In the Northwest Territories, and within the Tlicho region, teachers are changing how they teach, principals are changing how they lead, and school boards are changing the nature and depth of their involvement so that our schools are fully supported in affecting positive changes in developing 21<sup>st</sup> century leaders.



## Tłıchǫ Community Services Agency

The major challenge is to bring students up to education levels equal to or exceeding national standards across Canada. This will take time, resources and a strategic plan to achieve. The TCSA continues with its plan, and has established specific measurable goals and objectives to reach its targets.

*These goals can be summarized under the four main pillars of education in the Tlıcho region.*

- (1) To improve student success in reading and literature.*
- (2) To contribute to the revitalization, maintenance and promotion of Tlıcho language and culture.*
- (3) To develop learning environments that promote the acquisition of 21<sup>st</sup> Century skills in contextually relevant ways.*
- (4) To ensure all students have an equal opportunity to succeed.*

### **Financial Condition**

The School Operations of the Agency are on a solid footing. Education funding for the Agency is based on a formula, with enrollment numbers each year being the key driver.

The annual budgeted education revenue for the fiscal 2018-2019 was \$ 16,630,180, budgeted expenses were \$17,706,655 and the budgeted deficit was \$ 1,076,475. The reason for the budgeted deficit is related to the department of education's policy on surplus retention. The department's proposed policy is that any surplus in excess of 7 % of the year's total revenue will be returned to the department. As of June 30, 2019, the Agency had an operating deficit in education of \$1,148,098 thereby reducing the accumulated operating surplus to \$1,049,238. As a result, we have spent in accordance with our planned budget and met our target for the fiscal year 2018-2019 – the ending accumulated surplus is at 6% of the total revenue.

The Agency has a dedicated workforce of approximately 110 employees in the delivery of school programs, and administers numerous contracted services providers in the region. Salaries and benefits are the key cost drivers for education, and represent over 84 % of budgeted expenditures.

Education programs are delivered under the main categories of territorial schools, aboriginal languages, inclusive schooling and infrastructure services. Each school principal is responsible for managing his/her expenditures. Schools that do not spend their entire budget can carry forward their surpluses, and schools who overspend must repay the deficits to the Agency.

### **Summary**

In fiscal 2018-2019, the TCSA celebrated the graduation of 24 students obtaining their grade 12.

We will continue to work with the Government of the Northwest Territories and the Tlıcho Government on improving education results by following our strategic plan and the four pillars of education.



## Tl̓ich̓o Community Services Agency

We have the capable people in place who are both strong in their culture and prepared for a changing economic landscape. Like in the rest of Canada, a new economy is emerging that demands workers with “21<sup>st</sup> century skills.” This means high school graduates who have the knowledge, skills, and abilities to think critically, to problem-solve and to communicate effectively. At the foundation of each of these skills is the ability to read and write effectively. Reading is the most crucial skill for success in school and throughout life.

Mary Jane Wedzin  
Manager of Financial Services  
Tl̓ich̓o Community Services Agency

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

**Management Responsibility for Financial Reporting with respect to the school year ended June 30, 2019**

The Management Discussion & Analysis, Non-Consolidated report on Revenues and Expenses and Accumulated Surplus, 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 Agency 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 Tlicho Community Services Agency – Education Division 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*, FAM, FAMEA, *Human Resources Manual*, Ministerial Directives and the policies of the Education Authority. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that EPR Yellowknife Accounting Professional Corporation 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 Tlicho Community Services Agency**

  
\_\_\_\_\_  
**Shannon Barnett Aikman, Chief Executive Officer  
Tlicho Community Services Agency**

  
\_\_\_\_\_  
**Mary Jane Wedzin, Manager of Financial Services**



**YELLOWKNIFE  
ACCOUNTING**  
PROFESSIONAL CORPORATION

CHARTERED PROFESSIONAL  
ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

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

### *Qualified Opinion*

We have audited the Non-Consolidated Report on Revenues and Expenses and Accumulated Surplus of the Tlicho Community Services Agency – Education Division, and a summary of significant accounting policies and other explanatory information (together “the financial statement”) for the year ended June 30, 2019.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Non-Consolidated Report on Revenues and Expenses and Accumulated Surplus present fairly, in all material respects, the results of operations for the year ended June 30, 2019 in accordance with Canadian Public Sector Accounting Standards.

### *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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Agency in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

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## INDEPENDENT AUDITOR'S REPORT, continued

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### *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 non-consolidated financial statement is 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.

### *Other Matters*

Our audit was conducted for the purposes of forming an opinion of the non-consolidated financial statement of Tlicho Community Services Agency – Education Division, taken as a whole. The supplementary information included on Schedules 1 to 21 is presented for purposes of additional information and is not a required part of the non-consolidated financial statement. Such supplementary information has been subjected to the auditing procedures only to the extent necessary to express an opinion on the audit of the non-consolidated financial statement taken as a whole.

The Non-Consolidated Report on Revenues and Expenses and Accumulated Surplus for the year ended June 30, 2018, was audited by another auditor that expressed a qualified opinion for the scope limitation on payroll on September 24, 2018.

*EPR Yellowknife Accounting Prof. Corp.*

**EPR Yellowknife Accounting Professional Corporation**  
**Chartered Professional Accountants**  
Yellowknife, NT  
September 13, 2019

**Tlicho Community Services Agency  
Education Division  
Statement of Operations  
For the year ended June 30, 2019**

	Unaudited 2019 Budget	2019 Actual	2018 Actual
<b>Operating Fund - Revenue</b>			
Government of the Northwest Territories			
ECE Regular Contributions	\$ 16,293,580	\$ 16,509,282	\$ 17,488,051
Teaching and Learning Centres	-	101,000	269,000
ECE Other Contributions	140,000	202,915	177,393
Total ECE (Note 9)	<u>16,433,580</u>	<u>16,813,197</u>	<u>17,934,444</u>
GNWT Other Contributions (Note 10)	116,600	131,274	138,802
Total GNWT	<u>16,550,180</u>	<u>16,944,471</u>	<u>18,073,246</u>
Government of Canada - Jordan's Principle	-	271,251	-
Generated Funds			
Investment Income	25,000	61,585	39,494
Donations	-	-	100
Other (Note 11)	55,000	420,461	328,939
Total Generated Funds	<u>80,000</u>	<u>482,046</u>	<u>368,533</u>
<b>Total Revenue</b>	<b><u>16,630,180</u></b>	<b><u>17,697,768</u></b>	<b><u>18,441,778</u></b>
<b>Operating Fund - Expenses</b>			
Administration	1,341,348	1,589,002	952,720
Inclusive Schooling (Schedule 2)	3,452,674	3,387,556	2,840,239
Indigenous Language and Education (Schedule 3)	1,928,628	2,059,020	2,221,871
School Programs	10,984,005	11,810,288	11,605,090
<b>Total Expenses (Note 16)</b>	<b><u>17,706,655</u></b>	<b><u>18,845,866</u></b>	<b><u>17,619,920</u></b>
<b>Operating Surplus/(Deficit)</b>	<b><u>\$ (1,076,475)</u></b>	<b><u>\$ (1,148,098)</u></b>	<b><u>\$ 821,858</u></b>
<b>Opening Accumulated Surplus</b>	<b><u>2,197,336</u></b>	<b><u>2,197,336</u></b>	<b><u>1,375,478</u></b>
<b>Closing Accumulated Surplus</b>	<b><u>\$ 1,120,861</u></b>	<b><u>\$ 1,049,238</u></b>	<b><u>\$ 2,197,336</u></b>
Amortization	-	-	-
Capital acquisitions	(400,000)	(395,955)	-
<b>Closing Operating Accumulated Surplus</b>	<b><u>\$ 720,861</u></b>	<b><u>\$ 653,283</u></b>	<b><u>\$ 2,197,336</u></b>

Approved



Chief Executive Officer



Chairperson

See the accompanying notes and schedules

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**1. Nature of Organization**

The Tlicho Community Services Agency (TCSA) 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 formally the Dogrib Community Services Agency and all assets and liabilities of the DCSB were transferred to the TCSA effective August 4, 2005.

Member communities have formed Community Services Authorities (CSA) which have assumed responsibility to provide sufficient educational programs within their respective communities of Behchoko, Gameti, Wekweeti and Whati. The financial report includes the accounts of the Tlicho Community Services Agency - Education Division (TCSA), and the five schools of the CSA's including Chief Jimmy Bruneau School, Elizabeth Mackenzie Elementary School, Mezi Community School, Jean Wetrade Gameti School, and Alexis Arrowmaker School. All inter-entity balances have been eliminated.

**2. Significant Accounting Policies**

**a) Basis of Accounting**

This financial report has been prepared in accordance to Canadian public sector accounting standards relevant to the report of revenue and expenses. The financial report has, in management's opinion, been properly prepared within reasonable limits of materiality. Requirements of the Education Act are also taken into consideration in preparation of the statement and related notes. The basis of accounting refers to the timing of when revenue and expense 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) Non-Consolidated Report**

This report includes only the revenue and expenses of TCSA - Education Division. Asset, Liability and Equity balances of the organization are not reflected herein. The operations of Health and Social Services are not included in these reports and as such are non-consolidated.

**c) Capital Assets**

All buildings and works, furniture, equipment and vehicles valued in excess of \$50,000 and purchased with the GNWT capital funds are the property of the GNWT. The Minister grants to the Agency full occupancy and use of such facilities and equipment required for the administration and delivery of the education programs within the division. Capital assets with a value of less than \$50,000 are recorded as a current expenditure. Capital assets with a value in excess of \$50,000 provided by the GNWT at no cost are reported at cost and amortized in accordance with the Financial Administration Manual guidelines by the GNWT. Other capital assets with a value in excess of \$50,000 are reported at cost and amortized at the following rates:

Class and Rate: Mobile and Heavy Equipment (School Buses):            7-15 years

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**2. Significant Accounting Policies (cont'd)**

**d) Budget Data**

The *Education Act* of the NWT requires that the Agency prepare an annual budget as outlined in Sections 128 and 129.

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

Agency 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 Agency.

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

**e) Measurement Uncertainty**

The preparation of these non-consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. Accounts subject to measurement uncertainty are post-employment benefits determined by the actuary.

**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.

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**2. Significant Accounting Policies (cont'd)**

**g) Revenue Recognition (cont'd)**

**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 Agency follows the deferral method of accounting for other contributions. Unrestricted contribution 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.

**g) 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.

**h) 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 30<sup>th</sup> which provides for continued payment during the summer. GNWT Payroll for NWTTA starts with the annualised 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 Authority determines the start dates of their UNW employees and accrues the related payroll liability as appropriate.

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

**i) 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 assumptions based on management's best estimates.

**Tlcho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**2. Significant Accounting Policies (cont'd)**

**j) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expenses. Transfers include grants and contributions and are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**k) Financial Instruments**

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

Financial instruments held at cost or amortized cost include 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 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.

**3. Future Accounting Changes and Adoption of New Accounting Standards**

**Future Accounting Changes**

- a) Financial Statement Presentation (PS 1201- required when Sections PS 2601 and PS 3450 are adopted)
- b) Foreign Currency Translation (PS 2601 – April 1 2021); Early adoption is permitted
- c) Portfolio Investments (PS 3041- required when Sections PS 1201, PS 2601, and PS 3450 are adopted)
- d) Financial instruments (PS 3450 - April 1, 2021); Early adoption is permitted
- e) Asset Retirement Obligations (PS 3280 – April 1, 2021); Early adoption is permitted.
- f) Revenue (PS 3400 – April 1, 2022); Early adoption is permitted
- g) Student Activity / Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

**Adoption of New Accounting Standards**

Effective April 1, 2018, the new standard from the PSA Handbook Section PS 3430 – restructuring transactions was adopted. There is no significant impact on the consolidated financial statements as a result of adopting the new standards.

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**4. Tangible Capital Assets**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value 2019</b>	<b>Net Book Value 2018</b>
Mobile Equipment	\$ 569,273	\$ 173,318	\$ 395,955	\$ -

**5. GNWT Assets Provided at No Cost**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value 2019</b>	<b>Net Book Value 2018</b>
Alexis Arrowmaker School	\$ 2,412,271	\$ 1,397,450	\$ 1,014,821	\$ 865,507
Chief Jimmy Bruneau School	9,459,123	8,411,190	1,047,933	988,244
Elizabeth MacKenzie School	5,637,997	3,641,609	1,996,388	1,992,986
Jean Wetrade School	10,360,806	3,747,782	6,613,024	6,561,072
Mezi School	6,310,511	5,127,837	1,182,674	1,147,793
Lease Improvement - Nishi Khon	190,000	190,000	-	-
<b>Total</b>	<b>\$ 34,370,708</b>	<b>\$ 22,515,868</b>	<b>\$ 11,854,840</b>	<b>\$ 11,555,602</b>

**6. Post-Employment Benefits, Compensated Absences and Termination Benefits**

In addition to pension benefits the Agency provides severance (resignation and retirement), removal and compensated absences (sick, special, parental and maternity 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 benefits obligation.

Severance benefits are paid to Board 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 dependant 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 the expected utilization methodology.

**Tlichon Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**6. Post-Employment Benefits, Compensated Absences and Termination Benefits (cont'd)**

**Valuation results**

The actuarial valuation was completed as at March 31, 2018. The effective date of the next actuarial valuation is March 31, 2020. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2019 and the results extrapolated to June 30, 2019. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>2019</b>	<b>2018</b>
<b>Changes in Obligation</b>				
Accrued Benefit Obligation Beginning of Year	\$ 643,204	\$ 188,077	\$ 831,281	\$ 1,067,481
Current Period Benefit Cost	45,757	17,644	63,401	65,137
Interest Accrued	24,126	7,133	31,259	32,309
Benefits Payments	(62,240)	(38,076)	(100,316)	(129,001)
Plan Amendment	-	-	-	-
Actuarial (Gain)/Loss	170,060	45,486	215,546	(204,645)
<b>Accrued Benefit Obligation End of Year</b>	<b>820,907</b>	<b>220,264</b>	<b>1,041,171</b>	<b>831,281</b>
Unamortized Net Actuarial Gain	346,464	14,342	360,806	673,869
<b>Net Future Obligation</b>	<b>1,167,371</b>	<b>234,606</b>	<b>1,401,977</b>	<b>1,505,150</b>
Other Employee Future Benefits	-	-	-	-
Other Compensated Absences	-	-	-	-
<b>Total Employee Future Benefits and Compensated Absences</b>	<b>\$ 1,167,371</b>	<b>\$ 234,606</b>	<b>\$ 1,401,977</b>	<b>\$ 1,505,150</b>
<b>Benefits Expense</b>				
Current Period Benefit Cost	\$ 45,757	\$ 17,644	\$ 63,401	\$ 65,137
Interest Accrued	24,126	7,133	31,259	32,309
Plan Amendments	-	-	-	-
Amortization of Actuarial Gains	(86,108)	(11,410)	(97,518)	(71,937)
	<b>\$ (16,225)</b>	<b>\$ 13,367</b>	<b>\$ (2,858)</b>	<b>\$ 25,509</b>

The discount rate used to determine the accrued benefits obligation is an average of 3.30%. No inflation rate was applied.

The expected payments for the next five fiscal years are:

	<b>Severance and Removal</b>	<b>Compensated Absences</b>	<b>Total</b>
2020	\$ 93,023	\$ 31,290	\$ 124,313
2021	83,621	25,159	108,780
2022	76,827	21,322	98,149
2023	60,317	16,837	77,154
2024	60,810	15,482	76,292
	<b>\$ 374,598</b>	<b>\$ 110,090</b>	<b>\$ 484,688</b>

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**7. Contributions Repayable**

Nil Report

**8. Deferred revenue**

	<b>2019</b>	<b>2018</b>
Ekati Cultural Programs	\$ 42,142	\$ 71,830
Breakfast Club	5,690	2,701
On the Land Collaborative	13,346	-
Public Library	10,184	-
Food First Foundation	1,250	-
Jordan's Principle	258,950	-
Other	10,317	8,921
	<b>\$ 341,879</b>	<b>\$ 83,452</b>

**9. ECE Revenue**

	<b>Budget 2019</b>	<b>2019</b>	<b>2018</b>
Territorial Schools	\$ 10,967,146	\$ 11,155,388	\$ 12,173,976
Inclusive Schooling	2,745,495	2,764,762	2,836,706
Admin. and School Service	938,655	946,556	938,982
Indigenous Languages & Culture	1,642,284	1,642,576	1,538,387
	<b>16,293,580</b>	<b>16,509,282</b>	<b>17,488,051</b>
Teaching and Learning Centres	-	<b>101,000</b>	<b>269,000</b>
Public Library	140,000	162,160	136,268
LMAPD	-	-	35,125
Self-Regulation	-	7,000	6,000
Northern Distance Learning	-	14,546	-
Health & Wellness Curriculum Pilot Program	-	13,250	-
Youth with Disabilities	-	5,959	-
	<b>140,000</b>	<b>202,915</b>	<b>177,393</b>
	<b>\$ 16,433,580</b>	<b>\$ 16,813,197</b>	<b>\$ 17,934,444</b>

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**10. GNWT Other Revenue/Contribution**

		<b>Budget 2019</b>	<b>2019</b>	<b>2018</b>
GNWT - Health and Social Services	Drop the Pop	\$ -	\$ 9,950	\$ 10,448
GNWT - Industry, Tourism & Investment	Harvesting/Trapping	40,000	39,500	37,700
GNWT - Municipal and Community Affairs	Active After School/Youth	76,600	73,200	76,600
GNWT - Municipal and Community Affairs	Youth Contribution (Music)	-	8,624	5,000
GNWT - Municipal and Community Affairs	Youth Contribution (Trips)	-	-	8,000
GNWT - Municipal and Community Affairs	Sport Recreation)	-	-	1,054
		<b>\$ 116,600</b>	<b>\$ 131,274</b>	<b>\$ 138,802</b>

**11. Other Revenue**

		<b>Budget 2019</b>	<b>2019</b>	<b>2018</b>
BHP/Dominion Diamond Ekati Corp.		\$ -	\$ 154,689	\$ 151,181
APPLE School		55,000	63,275	-
Breakfast for Learning/ PC Children Charity		-	20,000	21,927
Food First Foundation		-	4,090	4,163
NWTTA - Student Success Initiatives		-	40,950	28,537
NWTTA - Student Success Initiative (July 2018 CILLDI Courses)		-	36,000	-
Tide Canada Culture (On the Land Collaborative)		-	47,404	10,000
Tlicho Government		-	20,536	46,068
Mackenzie Recreation Assoc.		-	-	5,000
Breakfast Club		-	10,121	10,399
Take It Global		-	813	-
Aboriginal Sport Circle of the NWT		-	2,500	-
Miscellaneous		-	20,083	51,664
		<b>\$ 55,000</b>	<b>\$ 420,461</b>	<b>\$ 328,939</b>

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**12. Related Party Transactions**

The Agency is related, in terms of common ownership, to all GNWT created departments, agencies and corporations. The Agency enters into transactions with these entities in the normal course of operations. The Agency is provided with various administrative services by the GNWT, the value of which is not reflected in this non-consolidated financial statement. 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 not disclosed elsewhere in the non-consolidated financial statement is disclosed in this note if applicable.

	2019	2018
<b>Revenue From Related Parties:</b>		
Government of Northwest Territories		
Department of Education, Culture & Employment	\$ 16,813,197	\$ 17,934,444
Department of Health and Social Services	9,950	10,448
Department of Industry, Tourism & Investment	39,500	37,700
Department of Municipal and Community Affairs	81,824	90,654
<b>Expense from Related Parties</b>	-	-
<b>Accounts Payable to Related Parties</b>	-	-
<b>Accounts Receivable from Related Parties</b>		
Government of Northwest Territories		
Department of Education, Culture & Employment	\$ 40,823	\$ 49,587

**13. Budget Amounts**

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 Agency.

The annual budget includes estimates of revenue and expenses. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Agency.

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

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**14. Economic Dependence**

The Tlicho Community Services Agency - Education Division receives its funding primarily from the GNWT. If the funding arrangements were to change management is of the opinion that the Tlicho Community Services Agency - Education Division operations would be significantly affected.

**15. Prior Year Figures**

The financial statement has been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year surplus.

**16. Expense By Object**

	<u>2019</u>	<u>2018</u>
Compensation	\$ 15,245,688	\$ 14,351,983
Other	3,600,178	3,267,937
Total	<u>\$ 18,845,866</u>	<u>\$ 17,619,920</u>

**Tlicho Community Services Agency  
Education Division  
Notes to the Non-Consolidated Report on Revenues and Expenses  
For the Year Ended June 30, 2019**

**17. Financial Instruments**

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

**(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.

**(ii) 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 risk. At June 30, 2019, 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 risk of credit risk as deposits are held in one Canadian chartered bank.

**(iii) 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.

**Tlicho Community Services Agency  
Education Division  
Schedule of Expenses  
For the Year Ended June 30, 2019**

	<b>Administration</b>	<b>Inclusive Schooling</b>	<b>Indigenous Language</b>	<b>School Programs</b>	<b>Total</b>
<b>Salaries</b>					
Teachers	\$ -	\$ 1,069,602	\$ 913,043	\$ 7,285,748	\$ 9,268,393
Instructional Asst.	-	1,585,845	258,315	199,166	2,043,326
Non-Instructional Staff	963,845	162,465	393,817	1,559,409	3,079,536
Board Honoraria	20,732	-	-	-	20,732
<b>Employee Benefits</b>					
Benefits/Allowance	3,945	-	-	284,184	288,129
Leave & Termination	224,166	-	-	-	224,166
<b>Services Purchased/Contracted</b>					
Postage/Communication	47,849	-	967	86,776	135,592
Travel/Training	74,515	86,865	76,527	80,306	318,213
Student Transportation	-	-	-	671,497	671,497
Adverting/Printing/Publishing	-	-	-	4,058	4,058
Maintenance and Repairs	-	-	1,163	62,794	63,957
Rentals and Leases	495	-	1,968	49,476	51,939
Contract Services	190,401	200,105	173,533	493,968	1,058,007
<b>Materials/Freight</b>					
Materials	59,578	282,479	238,784	991,332	1,572,173
Freight	3,476	195	903	41,574	46,148
<b>Amortization</b>	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 1,589,002</b>	<b>\$ 3,387,556</b>	<b>\$ 2,059,020</b>	<b>\$ 11,810,288</b>	<b>\$ 18,845,866</b>

**Tlcho Community Services Agency  
Education Division  
Inclusive Schooling Expenses  
For the Year Ended June 30, 2019**

	<b>General Inclusive Schooling</b>	<b>Staff Development</b>	<b>Assistive Technology</b>	<b>Magnet Facilities</b>	<b>Total</b>
<b>Salaries</b>					
Regional Coordinator	\$ 162,465	\$ -	\$ -	\$ -	\$ 162,465
Program Support Teachers	1,069,602	-	-	-	1,069,602
Support Assistants	1,585,845	-	-	-	1,585,845
<b>Employee Benefits</b>					
Employee Benefits/Allowance	-	-	-	-	-
<b>Services Purchased/Contracted</b>					
Professional/Technical	-	-	-	-	-
Travel	11,883	74,982	-	-	86,865
Student Transportation (Bussing)	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-
Maintenance and Repair	-	-	-	-	-
Rental and Leases	-	-	-	-	-
Other Contracted Services	200,105	-	-	-	200,105
<b>Materials/Freight</b>					
Materials	282,479	-	-	-	282,479
Freight	195	-	-	-	195
<b>Total Expense</b>	<b>\$ 3,312,574</b>	<b>\$ 74,982</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,387,556</b>

**Tlicho Community Services Agency  
Education Division  
Indigenous Language and Education Expenses  
For the Year Ended June 30, 2019**

	<b>Student Instruction</b>	<b>Teaching/ Learning Resource</b>	<b>Professional Development</b>	<b>School Programs</b>	<b>Total</b>
<b>Salaries/Honoraria</b>					
ALCBE Teachers	\$ 913,043	\$ -	\$ -	\$ -	\$ 913,043
Language Consultants	-	-	-	-	-
Instruction Assistants	258,315	-	-	-	258,315
Non-Instructional Staff	-	-	-	309,013	309,013
Honoraria	-	-	-	-	-
Elders in Schools	-	-	-	84,804	84,804
<b>Employee Benefits</b>					
Employee Benefits/Allowances	-	-	-	-	-
<b>Services Purchased/Contracted</b>					
Professional/Technical Services	-	-	-	-	-
Travel/Training	738	3,208	-	72,581	76,527
Student Transportation (Bussing)	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-
Maintenance and Repair	1,163	-	-	-	1,163
Rentals/Leases	1,968	-	-	-	1,968
Other Contracted Services	36,119	72,872	-	57,840	166,831
<b>Materials/Freight</b>					
Materials	92,026	144,022	-	10,405	246,453
Freight	30	-	-	873	903
<b>Total Expense</b>	<b>\$ 1,303,402</b>	<b>\$ 220,102</b>	<b>\$ -</b>	<b>\$ 535,516</b>	<b>\$ 2,059,020</b>

**Tlicho Community Services Agency  
Education Division  
Indigenous Language and Education Contributions  
For the Year Ended June 30, 2019**

<b>Contribution Agreement</b>	<b>July 1 to March 31</b>	<b>April 1 to June 30</b>	<b>Total</b>
<b>Revenue</b>			
Funding Received	\$ 101,000	\$ -	\$ 101,000
<b>Expense</b>			
Other O&M	103,879	-	103,879
<b>Net Surplus/(Deficit)</b>	<b>\$ (2,879)</b>	<b>\$ -</b>	<b>\$ (2,879)</b>

**Tlicho Community Services Agency  
Education Division  
Jordan's Principle  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Government of Canada - First Nations and Inuit Health Branch	\$ -	\$ 530,201	\$ -
Carry forward from Previous Year	-	-	-
<b>Total Revenue</b>	<b>-</b>	<b>530,201</b>	<b>-</b>
<b>Expense</b>			
Administration	-	-	-
Personnel	-	199,166	-
Transportation	-	-	-
Materials and Supplies	-	-	-
Rent and Utilities	-	-	-
Evaluation	-	-	-
Other	-	72,085	-
<b>Total Expenses</b>	<b>-</b>	<b>271,251</b>	<b>-</b>
<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>258,950</b>	<b>-</b>
<b>Deferred Revenue</b>	<b>\$ -</b>	<b>\$ 258,950</b>	<b>\$ -</b>

**Tliche Community Services Agency  
Education Division  
Northern Distance Learning  
For the Year Ended June 30, 2019**

	<u>July 1 to March 31</u>	<u>April 1 to June 30</u>	<u>Total</u>
<b>Revenue</b>			
GNWT - Education, Culture and Employment	\$ 13,310	\$ 1,236	\$ 14,546
<b>Expense</b>			
Services Purchased/Contracted	13,310	3,250	16,560
<b>Net Surplus/(Deficit)</b>	<u>\$ -</u>	<u>\$ (2,014)</u>	<u>\$ (2,014)</u>

**Tlicho Community Services Agency  
Education Division  
Student Success Initiatives  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Revenues</b>		
GNWT - Education, Culture & Employment	\$ 55,000	\$ 55,000
NWTTA	40,950	28,537
<b>Total Revenues</b>	<u>95,950</u>	<u>83,537</u>
<b>Expenses</b>		
Salaries and wages	55,000	55,000
Resources	43,187	31,200
<b>Total Expenses</b>	<u>98,187</u>	<u>86,200</u>
<b>Net Surplus/(Deficit)</b>	<u>\$ (2,237)</u>	<u>\$ (2,663)</u>

**Tlcho Community Services Agency  
Education Division  
Schedule of Specific Program  
Breakfast for Learning / PC Children Charity Snack Program  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>JWGS</b>	<b>EMES</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>					
PC Children Charity	\$ 10,000	\$ 3,000	\$ 7,000	\$ 20,000	\$ 20,000
Breakfast for Learning - Transfer From Deferred Revenue	-	-	-	-	1,927
<b>Total Revenues</b>	<b>10,000</b>	<b>3,000</b>	<b>7,000</b>	<b>20,000</b>	<b>21,927</b>
<b>Expense</b>					
Materials & Supplies	10,011	3,086	7,016	20,113	21,777
<b>Net Surplus/(Deficit)</b>	<b>\$ (11)</b>	<b>\$ (86)</b>	<b>\$ (16)</b>	<b>\$ (113)</b>	<b>150</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Drop the Pop  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>							
GNWT - Health & Social Services	\$ 1,500	\$ 1,050	\$ 625	\$ 1,000	\$ 800	\$ 4,975	\$ 9,950
GNWT - Health & Social Services - A/R	1,500	1,050	625	1,000	800	4,975	-
<b>Total Revenues</b>	<b>3,000</b>	<b>2,100</b>	<b>1,250</b>	<b>2,000</b>	<b>1,600</b>	<b>9,950</b>	<b>9,950</b>
<b>Expense</b>							
Material & Supplies	3,040	2,100	1,250	2,006	1,600	9,996	9,950
<b>Net Surplus/(Deficit)</b>	<b>\$ (40)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6)</b>	<b>\$ -</b>	<b>\$ (46)</b>	<b>\$ -</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
On the Land Collaborative  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>							
TIDES Canada Foundation	\$ 20,000	\$ 15,000	\$ 7,000	\$ 10,000	\$ 8,750	\$ 60,750	\$ 10,000
TIDES Canada Foundation, to Deferred Revenue	(8,230)	-	-	-	(5,117)	(13,347)	-
<b>Total Revenues</b>	<b>11,770</b>	<b>15,000</b>	<b>7,000</b>	<b>10,000</b>	<b>3,633</b>	<b>47,403</b>	<b>10,000</b>
<b>Expense</b>							
Material & Supplies	6,370	14,999	1,565	1,061	1,846	25,841	4,266
Contract Services	5,400	-	5,600	8,924	1,787	21,711	5,750
<b>Total Expense</b>	<b>11,770</b>	<b>14,999</b>	<b>7,165</b>	<b>9,985</b>	<b>3,633</b>	<b>47,552</b>	<b>10,016</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ (165)</b>	<b>\$ 15</b>	<b>\$ -</b>	<b>\$ (149)</b>	<b>\$ (16)</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Take a Kid Trapping  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>							
GNWT - Environment and Natural Resources	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 7,500	\$ 39,500	\$ 37,700
<b>Expenses</b>							
Material & Supplies	2,000	8,001	8,037	3,878	3,411	25,327	10,358
Gasoline	-	-	-	-	834	834	2,205
Contract Services	6,100	-	-	4,150	3,250	13,500	25,240
<b>Total Expenses</b>	<b>8,100</b>	<b>8,001</b>	<b>8,037</b>	<b>8,028</b>	<b>7,495</b>	<b>39,661</b>	<b>37,803</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ (100)</b>	<b>\$ (1)</b>	<b>\$ (37)</b>	<b>\$ (28)</b>	<b>\$ 5</b>	<b>\$ (161)</b>	<b>\$ (103)</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Active After School Program  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>							
GNWT - Municipal and Community Affairs	\$ 12,000	\$ 16,300	\$ 16,300	\$ 12,300	\$ 16,300	\$ 73,200	\$ 76,600
GNWT - MACA - Reallocation	1,680	10,220	-	(12,300)	400	-	-
<b>Total Revenues</b>	<b>13,680</b>	<b>26,520</b>	<b>16,300</b>	<b>-</b>	<b>16,700</b>	<b>73,200</b>	<b>76,600</b>
<b>Expenses</b>							
Material & Supplies	13,660	26,504	16,300	-	16,471	72,935	53,056
Contract Services	-	-	-	-	225	225	25,131
<b>Total Expenses</b>	<b>13,660</b>	<b>26,504</b>	<b>16,300</b>	<b>-</b>	<b>16,696</b>	<b>73,160</b>	<b>78,187</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ 20</b>	<b>\$ 16</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>\$ 40</b>	<b>\$ (1,587)</b>

**Tlich Community Services Agency  
Education Division  
Schedule of Specific Program  
Breakfast Club Program  
For the Year Ended June 30, 2019**

	<b>JWGS</b>	<b>EMES</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>				
Breakfast Club of Canada	\$ 5,610	\$ 7,500	\$ 13,110	\$ 13,100
Breakfast Club of Canada - from Deferred Revenue	2,701	-	2,701	(2,701)
Breakfast Club of Canada - to Deferred Revenue	(5,690)	-	(5,690)	-
<b>Total Revenues</b>	<b>2,621</b>	<b>7,500</b>	<b>10,121</b>	<b>10,399</b>
<b>Expense</b>				
Material & Supplies	2,621	7,473	10,094	10,379
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 20</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Public Library Services  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>						
GNWT - Education, Culture and Employment	\$ 56,000	\$ 35,000	\$ 35,000	\$ 56,000	\$ 182,000	\$ 140,000
GNWT - ECE, to Deferred Revenue	(6,741)	-	-	(3,443)	(10,184)	-
GNWT - ECE, from A/R	(9,967)	(8,919)	(10,360)	(16,608)	(45,854)	45,854
GNWT - ECE, to A/R	-	20,322	15,876	-	36,198	(49,587)
<b>Total Revenues</b>	<b>39,292</b>	<b>46,403</b>	<b>40,516</b>	<b>35,949</b>	<b>162,160</b>	<b>136,267</b>
<b>Expenses</b>						
Salaries & Benefits	7,578	11,315	5,330	9,353	33,576	131,041
Materials & Supplies	-	4,984	2,827	-	7,811	5,794
Contract Services	31,714	30,104	32,359	26,596	120,773	-
<b>Total Expenses</b>	<b>39,292</b>	<b>46,403</b>	<b>40,516</b>	<b>35,949</b>	<b>162,160</b>	<b>136,835</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ (568)</b>				

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Food First Foundation  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>						
Food First Foundation	\$ 1,500	\$ 2,300	\$ 1,250	\$ 290	\$ 5,340	\$ 4,163
Food First Foundation, to Deferred Revenue	-	-	(1,250)	-	(1,250)	-
<b>Total Revenues</b>	<b>1,500</b>	<b>2,300</b>	<b>-</b>	<b>290</b>	<b>4,090</b>	<b>4,163</b>
<b>Expenses</b>						
Materials & Supplies	1,507	-	-	262	1,769	4,193
Contract Services	-	2,490	-	-	2,490	-
<b>Total Expenses</b>	<b>1,507</b>	<b>2,490</b>	<b>-</b>	<b>262</b>	<b>4,259</b>	<b>4,193</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ (7)</b>	<b>\$ (190)</b>	<b>-</b>	<b>\$ 28</b>	<b>\$ (169)</b>	<b>(30)</b>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Youth Contribution  
For the Year Ended June 30, 2019**

	CJBS	Wekweeti	2019	2018
<b>Revenues</b>				
GNWT - Municipal and Community Affairs	\$ 4,000	\$ -	\$ 4,000	\$ 14,054
GNWT - Municipal and Community Affairs - A/R	-	4,624	4,624	-
<b>Total Revenues</b>	<b>4,000</b>	<b>4,624</b>	<b>8,624</b>	<b>14,054</b>
<b>Expenses</b>				
Materials & Supplies	-	-	-	5,000
Travel	-	-	-	9,052
Contract Services	4,000	4,624	8,624	-
<b>Total Expenses</b>	<b>4,000</b>	<b>4,624</b>	<b>8,624</b>	<b>14,052</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2</b>

**Tlcho Community Services Agency  
Education Division  
Schedule of Specific Program  
APPLE School  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Revenue</b>		
APPLE School Foundation	\$ 63,275	\$ -
<b>Expenses</b>		
Salaries	75,299	-
Materials & Supplies	4,786	-
<b>Total Expenses</b>	<u>80,085</u>	<u>-</u>
<b>Net Surplus/(Deficit)</b>	<u>\$ (16,810)</u>	<u>\$ -</u>

**Tlcho Community Services Agency  
Education Division  
Schedule of Specific Program  
Ekati Mine (Cultural Program)  
For the Year Ended June 30, 2019**

	<b>CJBS</b>	<b>MEZI</b>	<b>JWGS</b>	<b>EMES</b>	<b>Wekweeti</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>							
Ekati Mine	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000	\$ -
Ekati Mine - to Deferred Revenue	(22,868)	-	(19,273)	-	-	(42,141)	-
Ekati Mine - from Deferred Revenue	-	50,000	6,401	15,429	-	71,830	-
<b>Total Revenues</b>	<b>2,132</b>	<b>75,000</b>	<b>12,128</b>	<b>40,429</b>	<b>25,000</b>	<b>154,689</b>	<b>-</b>
<b>Expenses</b>							
Materials & Supplies	1,314	23,087	10,128	40,601	24,529	99,659	-
Gasoline	762	-	-	-	288	1,050	-
Delivery & Courier	-	-	-	-	148	148	-
Travel	56	-	-	-	-	56	-
Minor Equipment <\$5,000	-	3,494	-	-	-	3,494	-
Capital Equipment >\$5,000<\$50,000	-	48,518	-	-	-	48,518	-
Contract Services	-	-	2,000	-	-	2,000	-
<b>Total Expenses</b>	<b>2,132</b>	<b>75,099</b>	<b>12,128</b>	<b>40,601</b>	<b>24,965</b>	<b>154,925</b>	<b>-</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ (99)</b>	<b>\$ -</b>	<b>\$ (172)</b>	<b>\$ 35</b>	<b>\$ (236)</b>	<b>\$ -</b>

**Tliche Community Services Agency  
 Education Division  
 Schedule of Specific Program  
 Self-Regulation  
 For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Revenue</b>		
GNWT - Education, Culture & Employment	\$ 7,000	\$ -
<b>Expense</b>		
Materials & Supplies	7,042	-
<b>Net Surplus/(Deficit)</b>	<u>\$ (42)</u>	<u>\$ -</u>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Health & Wellness Pilot Program  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Revenue</b>		
GNWT - Education, Culture & Employment	\$ 13,250	\$ -
<b>Expense</b>		
Materials & Supplies	13,250	-
<b>Net Surplus/(Deficit)</b>	<u>\$ -</u>	<u>\$ -</u>

**Tlicho Community Services Agency  
Education Division  
Schedule of Specific Program  
Youth with Disabilities  
For the Year Ended June 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>Revenue</b>		
GNWT - Education, Culture & Employment	\$ 5,960	\$ -
<b>Expense</b>		
Contract Services	5,960	-
<b>Net Surplus/(Deficit)</b>	<u>\$ -</u>	<u>\$ -</u>

Financial Statements of

**HAY RIVER HEALTH &  
SOCIAL SERVICES AUTHORITY**

March 31, 2020

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

## Financial Statements

Year ended March 31, 2020

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## 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, Fort Providence 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 mission is “to provide equitable care and service and encourage individuals, families and communities to make healthy choices” and our values are:

- Caring - with integrity, we treat everyone with compassion, respect, equity, dignity and we value diversity.
- Accountable - we are responsible to utilize our resources efficiently and effectively and report the impact of our work to the community.
- Relationships - we work in collaboration with all residents including individuals, families, communities, staff, other health authorities, and Indigenous Governments.
- Excellence - we pursue continuous quality improvement through innovation, integration and evidence based practice.
- Safety - we place safety at the center of all of our decisions.

Although HRHSSA has remained a separate Health and Social Services 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.

Brain Willows is our Public Administrator and Erin Griffiths, our CEO, leads the Management Team. Members of the Senior Leadership Team are Dale Snow, Director of Client Care Services, Carol Heron-Colosimo, Director, Social Programs, Andrew Laming, Director of Finance and Administration, Jennifer Croucher, Manager, Human Resources, Bonnie Kimble, Manager of Quality and Risk.

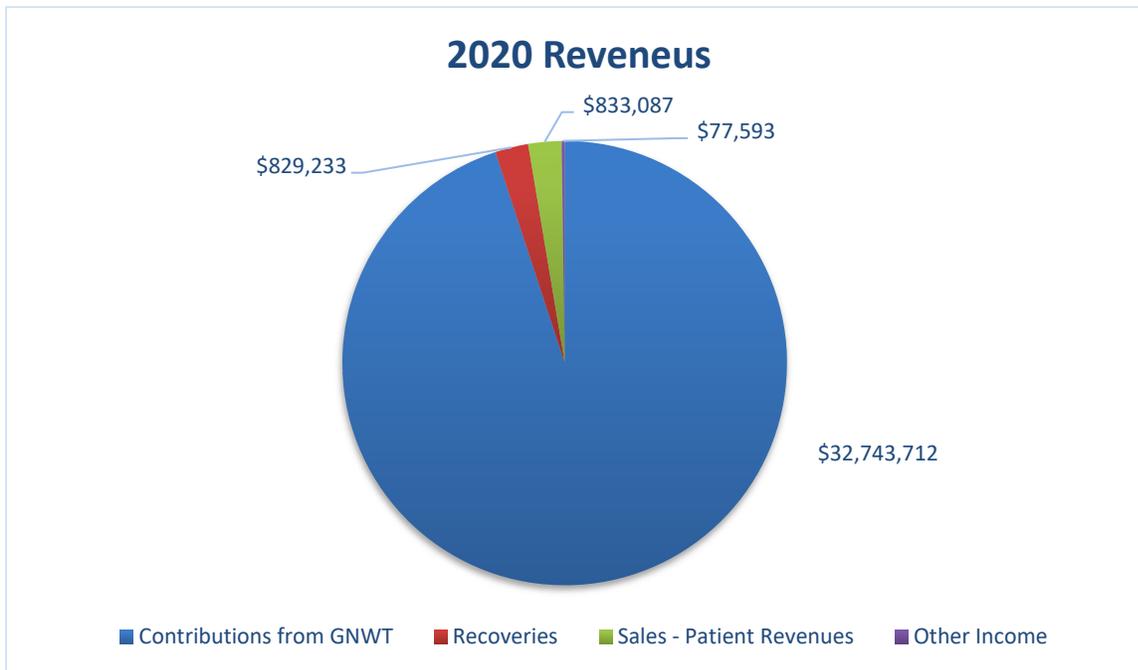
The last four years has shown a decline in the annual deficit due to an increase in the net value of the pension plan asset. The financial statements present an accumulated surplus of \$11,214,039. Including in the deficit is a \$500,000 cash reserve. If we remove the pension plan asset and cash reserve from the effects of the accumulated surplus, there is a resulting adjusted

accumulated deficit of \$5,568,961. 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 \$16,783,000 higher than the pension obligation.

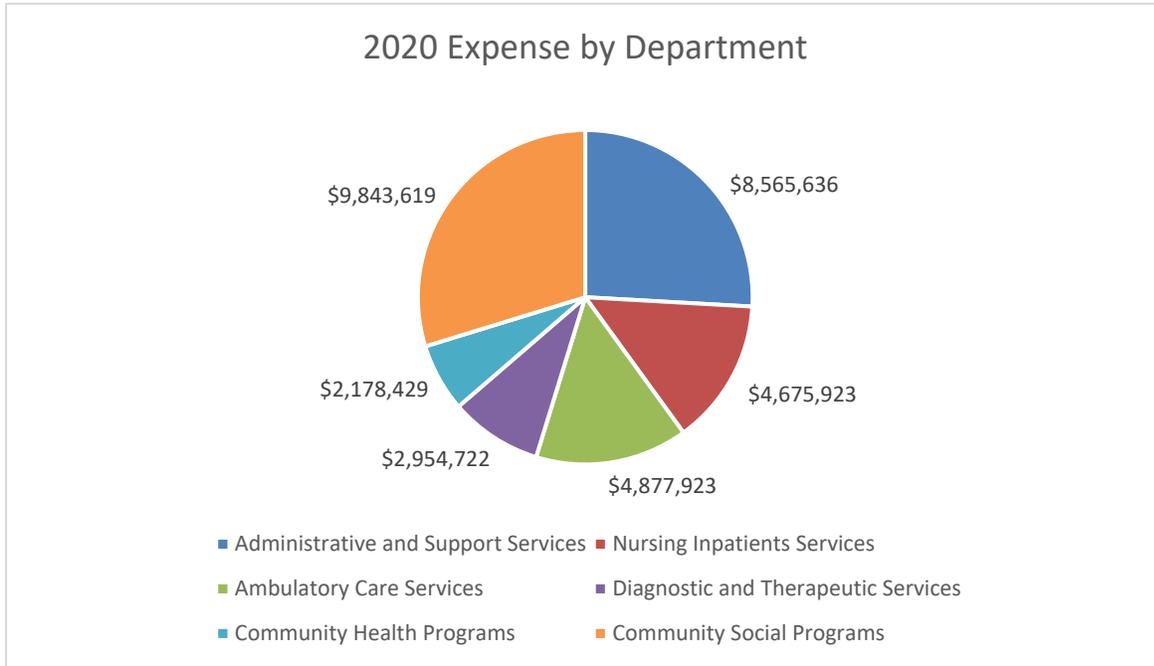
Support services include Human Resources, Finance, Information Services, Material Management, Housekeeping, Laundry services, Engineering services, Dietary, Registration, Medical Records and Electronic Medical Records. The cost of providing basic services continue to grow, however, Management and Staff 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

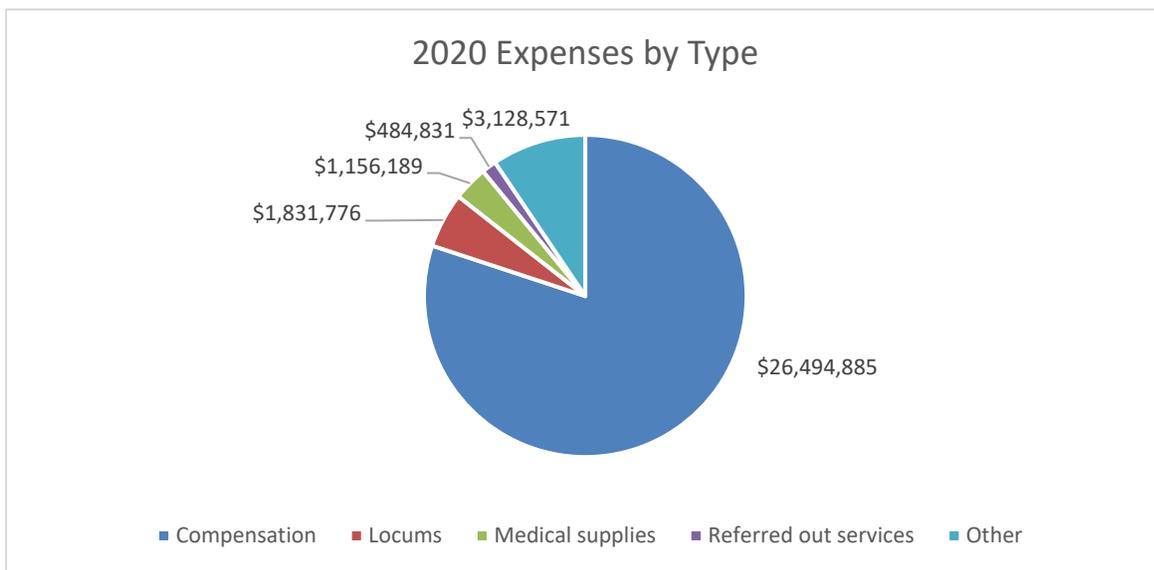
The Authority had \$34.5M in revenues for the year of which 95% of the funds received were obtained from the GNWT, which is consistent with prior years.



The following 2 charts show the breakdowns of expense 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.

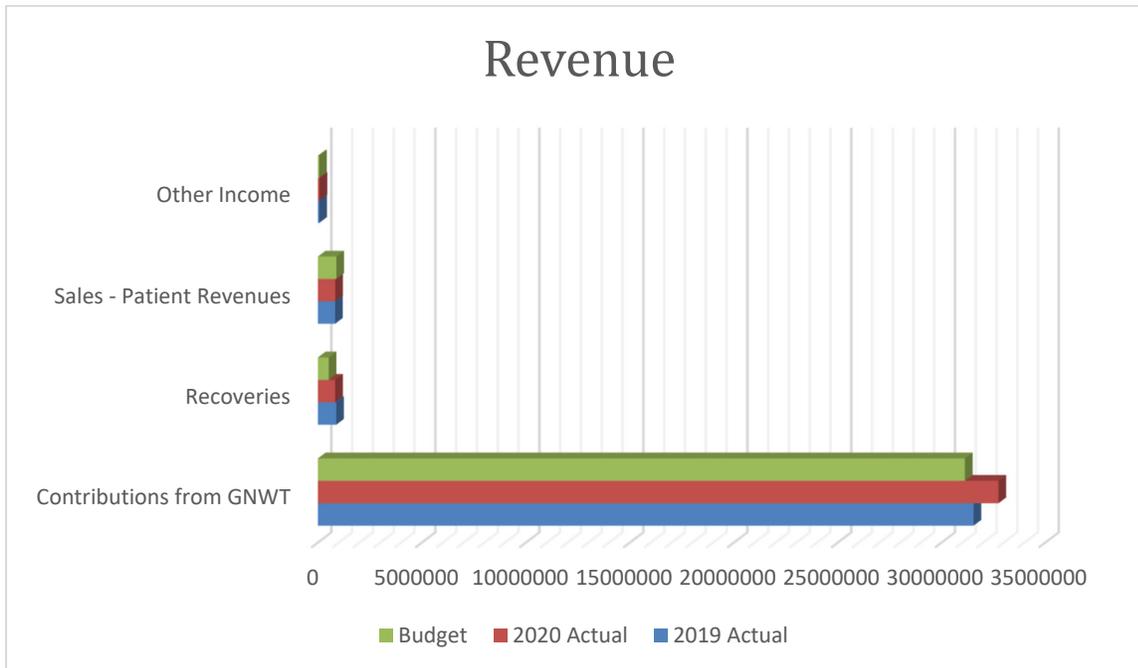


Wages account for 80% of total spending up slightly over prior years due to the collective agreement. Other costs include items such as supplies, referred out services, purchased services personnel, rent, equipment maintenance and other costs associated with the operation of the Authority.



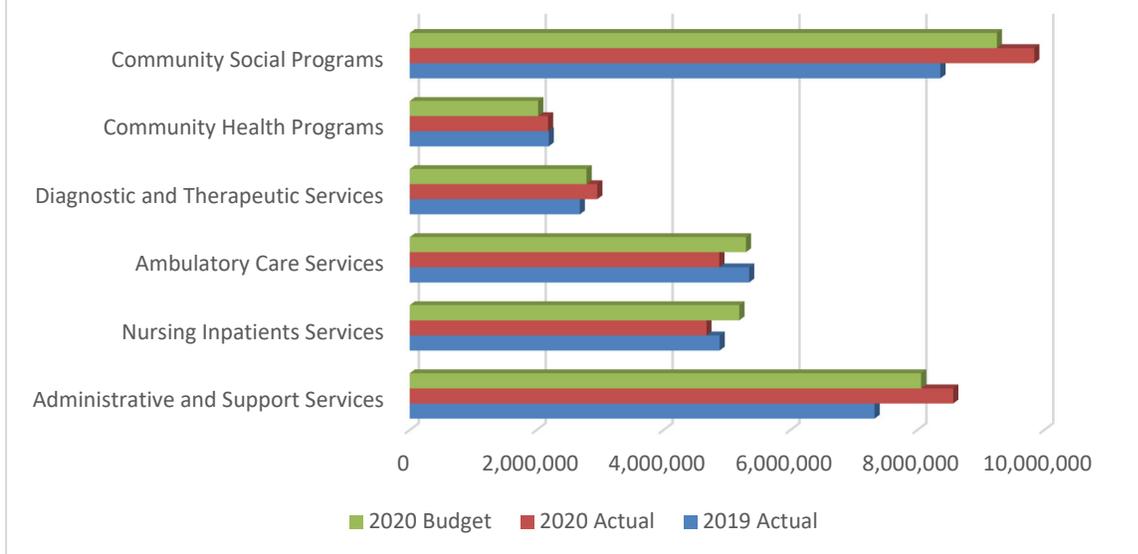
This next group of charts show the current year, prior year and budget numbers for comparative purposes.

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 contributions from the GNWT to help fund pension special payments as well as the collective agreement.



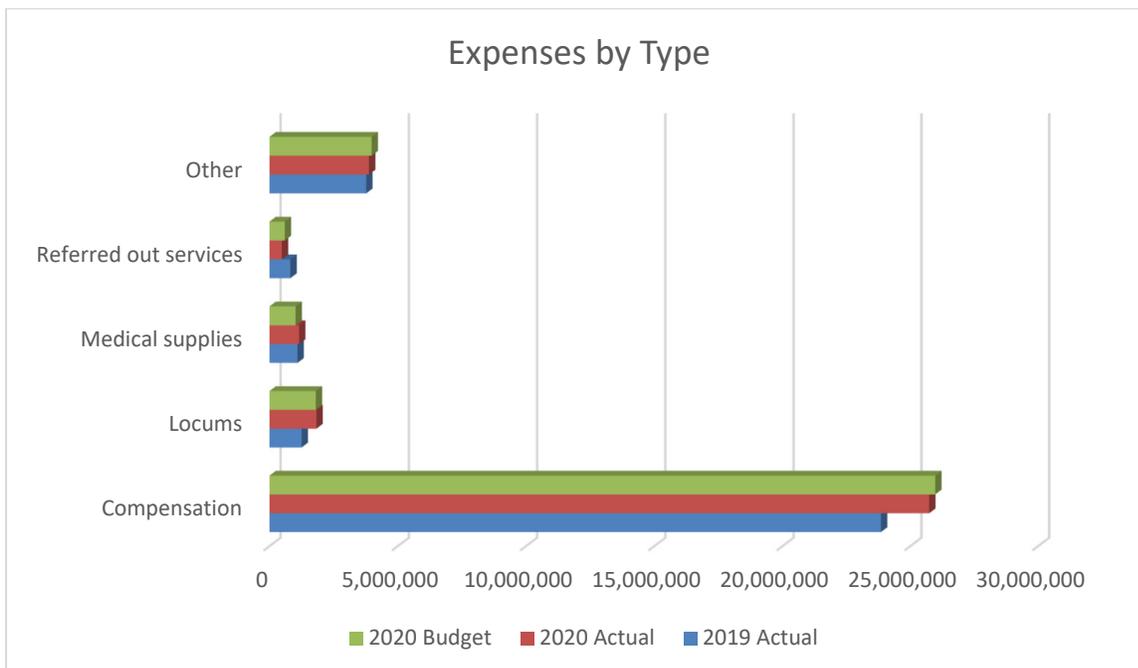
In comparing the current year expenses by department to budget, administration costs are higher than budgeted as they include the pension special payments of \$770,000. The variance in Nursing Inpatient Services from budget is due to vacant positions held in the year. Compared to the prior year values, Nursing Inpatient Services has been affected by vacant positions.

## Expenses by Department



In comparing expenses by type, there variances in salaries for positions that were budgeted for, but not filled due to lack of qualified applicants and funding constraints. Other identifiable variance is from funding provided by GNWT towards the special pension payments.

## Expenses by Type



## 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.

During the year there were 7,643 patients seen in the medical clinic and 6,753 emergency visits.

We continue to adapt to our new facility and based on the feedback and suggestions from our staff, clients and visiting practitioners, over the past year we have made some changes to our workflow to better utilize our resources to meet the needs of our community. We relocated our Emergency Room to be closer to Community Support Beds so that during critical situations, our Acute Care staff would be readily available to support one another and the client in need. We also began running an Outpatient clinic through Ambulatory Care during regular business hours so that our less urgent clients could be seen in a timely manner which in turn reduced the demand on our Emergency Department and our limited Medical Clinic appointments. These changes enabled our Emergency Department to focus on critically ill clients and our Medical Clinic to better utilize the available appointments with our practitioners.

Child and Family Services continues to working along side the NTHSSA to implement new Standards of practice in Child and Family Services. The system is maintaining quarterly quality reviews of child protection services aimed to improve services provided to children and families. Statistics in Child and Family Services in HRHSSA report positive results.

Funding was approved in 2019 to hire (one) additional Child Protection Worker and we have successfully recruited for the position. As of June, 2020, funding has been approved to hire (one) Family Preservation Worker. With a staff compliment of (five) Child Protection Workers and (one) preservation worker services to families will be positively enhanced.

The Community Counseling Program has seen significant change in the past 1 ½ years. The team has gone from a staff compliment of 50% in 2019 to working at full staff compliment as of 2020. With the gradual introduction of the STEP Care Counselling Model, this team has gone from a 29 week waitlist in April, 2019 to a 0 – 48 hr. wait time to see a counsellor by April, 2020. The STEP Care model, will see a shift in how services will be provided to the Community. There will also be greater opportunities to collaborate with other local organizations to enhance Mental Health Services in Hay River.

The Health Family Program has been involved in the Healthy Family Renewal project. The goal of the Renewal project is to have a more system approach to offering services to the families we work with. Some recommended principles intended to guide the program design include; More engagement of families, a stronger focus on culture and language, making the program accessible and inclusive of not only parents and children, but also extended family caregivers. The project intends to focus on strengthening our partnerships with other local level organizations that proved resources and supports for families in Hay River.

The Healthy Family Program team is very excited to have been chosen as one of the sites who will be piloting the new programming.

## 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 \$1,5M. Further there are non-budget items such as pandemic costs of \$145,000 plus sick, special, education and discretionary totalling in excess of \$1,2M,

With cash of \$602,391 and current liabilities of \$3,465,450 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 \$1,184,362, which have not been repaid due to cash flow.

The financial statements identify a surplus from operations in the year of \$1,387,373. 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 \$179,461.

	2020 Budget	2020 Actual	2019 Actual
Operating Surplus (Deficit)	(796,458)	<b>1,387,373</b>	2,521,773
Unfunded items			
(Increase) Decrease in post-employment benefits, Note 12	-	<b>(1,656,000)</b>	(2,663,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	<b>89,166</b>	79,632
Adjusted operating surplus (deficit) before the undemoted	(796,458)	<b>(179,461)</b>	(61,595)
Tangible Capital Assets - Rent Expense, Note 15	-	<b>(2,119,933)</b>	(2,027,428)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	<b>2,119,933</b>	2,027,428
<b>Adjusted operating surplus (deficit) for the year</b>	<b>\$ (796,458)</b>	<b>\$ (179,461)</b>	<b>\$ (61,595)</b>

## Summary and Outlook

The 2019-2020 fiscal year represented our efforts to strengthen and establish new relationships internally with our colleagues, and externally with our local and Territorial partners. In developing these relationships, the HRHSSA Senior Leadership Team is keenly aware of the importance of open and effective communication practices across the organization and to the public. HRHSSA leadership has a communication strategy to assist in the continuous improvement of communication to all staff and the public.

Organizational wide improvements continue to be identified and reviewed to ensure HRHSSA delivers quality programs and services that are consistent with our Territorial partners. HRHSSA recognizes that providing culturally appropriate care is necessary to improve better health outcomes. HRHSSA is working in collaboration with our Territorial partners to address improved access to primary health care that can become more culturally safe and will decrease current demand.

Recruitment of health and social services professionals is challenging across Canada and HRHSSA will continue to work with both our local and Territorial partners to enhance our recruitment efforts to attract and retain qualified professionals.

In alignment with our three year Strategic Plan, our focus will move HRHSSA towards a system which will allow us to provide quality care and service while improving access, client experience and build an organizational structure that is supportive and collaborative. Our future is bright, and we look forward to engaging our workforce and our community to develop culturally safe and efficient care and services.

Erin Griffiths  
Chief Executive Officer

July 2, 2020



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 | ☎ (867) 874-8000 📠 (867) 874-8141

## To the Minister of Health and Social Services

### Management Responsibility for Financial Reporting for the year ended March 31, 2019

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 (PSAS) 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, 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 Hay River Health and Social Services Authority (the Authority) have been conducted within the statutory powers of the Authority. The operations and administration of the Authority and its supporting internal controls are regularly monitored to ensure their effectiveness and continued compliance with all relevant legislation, standards, directives and policies including, but not limited to, the Financial Administration Act, PSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority's Public Administrator. Any non-compliance has been specifically identified and has been 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

  
\_\_\_\_\_  
Erin Griffiths  
Chief Executive Officer  
Hay River Health & Social Services Authority

July 2, 2020  
\_\_\_\_\_  
Date

## INDEPENDENT AUDITORS' REPORT

To the Minister of Health and Social Services and  
the Chief Executive Officer:

### Unqualified Opinion

We have audited the accompanying financial statements of Hay River Health and Social Services Authority (the Authority) which comprise the statement of financial position as at March 31, 2020, the statements of operations, changes in net assets and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Hay River Health and Social Services Authority as at March 31, 2020 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards. 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, 2020, in accordance with the provisions established by the individual contribution agreements.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

## Independent Auditor's Report to the Hay River Health & Social Services Authority (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ASHTON  
Chartered Professional Accountants

Hay River, NT  
July 2 2020

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Financial Position

Statement I

March 31, 2020

	2020	*2019
<b>Financial Assets</b>		
Cash and cash equivalents, Note 4	\$ 602,391	\$ 392,891
Accounts receivable, Note 7	1,081,430	1,284,947
Due from Government of Canada, Note 10	3,434	53,457
Trust assets, Note 14	74,027	84,486
Pensions asset, Note 12	16,783,000	15,127,000
<b>Total Financial Assets</b>	<b>\$ 18,544,282</b>	<b>\$ 16,942,781</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities, Note 9	697,356	1,159,884
Employee and payroll-related liabilities, Note 9	2,694,836	1,900,861
Due to Government of Canada, Note 10	-	-
Contributions repayable, Note 27	2,582,320	2,603,904
Employee future benefits and compensated absences, Note 13	1,633,970	1,723,136
Accountable capital advance, GNWT, Note 28	5,829	5,829
Deferred revenue, Note 26	56,633	56,633
Trust liabilities, Note 14	73,258	83,690
<b>Total Liabilities</b>	<b>7,744,202</b>	<b>7,533,937</b>
<b>Net Financial Assets (Debt)</b>	<b>\$ 10,800,080</b>	<b>\$ 9,408,844</b>
<b>Non-Financial Assets</b>		
Inventory held for use, Note 8	\$ 205,459	\$ 217,260
Prepaid expenses and deposits, Note 25	208,500	200,562
<b>Total Non-Financial Assets</b>	<b>\$ 413,959</b>	<b>\$ 417,822</b>
<b>Accumulated Surplus (Deficit), Note 29</b>	<b>\$ 11,214,039</b>	<b>\$ 9,826,666</b>

\* 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, 2020

	2020 Budget	2020 Actual	2019 Actual
<b>Revenue</b>			
Contributions from GNWT, Schedule A	\$ 31,124,928	\$ 32,743,712	\$ 31,540,581
Recoveries	519,720	829,233	880,545
Sales - Patient Revenues	885,408	833,087	825,923
Contributions from Other Sources	-	-	-
Other Income	-	-	2,559
Interest	60,000	77,593	65,145
<b>Total Revenue</b>	<b>32,590,056</b>	<b>34,483,625</b>	<b>33,314,753</b>
<b>Expenses</b>			
Administrative and Support Services	8,059,536	9,546,636	9,045,585
Nursing Inpatients Services	5,194,692	4,675,923	4,883,897
Ambulatory Care Services	5,299,152	4,877,923	5,349,141
Diagnostic and Therapeutic Services	2,786,520	2,954,722	2,680,434
Community Health Programs	2,022,672	2,178,429	2,189,701
Community Social Programs	9,253,938	9,843,619	8,363,931
Supplementary Health Programs	-	-	-
Undistributed	770,004	(981,000)	(1,719,709)
<b>Total Expenses, Note 24</b>	<b>33,386,514</b>	<b>33,096,252</b>	<b>30,792,980</b>
Operating Surplus (Deficit)	(796,458)	1,387,373	2,521,773
<b>Unfunded items</b>			
(Increase) Decrease in post-employment benefits, Note 12	-	(1,656,000)	(2,663,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	89,166	79,632
Adjusted operating surplus (deficit) before the undernoted	(796,458)	(179,461)	(61,595)
Tangible Capital Assets - Rent Expense, Note 15	-	(2,119,933)	(2,027,428)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	2,119,933	2,027,428
<b>Adjusted operating surplus (deficit) for the year</b>	<b>\$ (796,458)</b>	<b>\$ (179,461)</b>	<b>\$ (61,595)</b>
Opening Accumulated Surplus (Deficit)		\$ 9,826,666	\$ 7,304,893
Prior year restricted physician funds allocated		-	-
Operating Surplus (Deficit)		1,387,373	2,521,773
<b>Closing Accumulated Surplus (Deficit)</b>		<b>\$ 11,214,039</b>	<b>\$ 9,826,666</b>

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Changes in Net Financial Resources

Statement III

For the year ended March 31, 2020

	<b>2020</b>	2019
Annual surplus (deficit)	\$ <b>1,387,373</b>	\$ 2,521,773
Adjustments		
(Increase) Decrease in inventory	<b>11,801</b>	(13,246)
(Increase) Decrease in prepaids and deposits	<b>(7,938)</b>	71,552
Increase (Decrease) in net financial assets	<b>1,391,236</b>	2,580,079
Net financial resources, beginning of year	<b>9,408,844</b>	6,828,765
Net financial resources, end of year	\$ <b>10,800,080</b>	\$ 9,408,844

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Cash Flow

Statement IV

For the year ended March 31, 2020

	2020	2019
<b>Operating Activities</b>		
Annual surplus (deficit)	\$ 1,387,373	\$ 2,521,773
Items not affecting cash:		
(Increase) Decrease in pensions, Note 12	(1,656,000)	(2,663,000)
	(268,627)	(141,227)
Changes in non-cash assets and liabilities		
Decrease (Increase) in due to/from the Government of Canada	50,023	(53,526)
Decrease (Increase) in accounts receivable	203,517	(773,438)
Decrease (Increase) in inventory	11,801	(13,246)
Decrease (Increase) in prepaids	(7,938)	71,552
Increase (Decrease) in accounts payable and payroll liabilities	331,447	245,376
Increase (Decrease) in contributions repayable	(21,584)	249,399
Increase (Decrease) in employee future benefits	(89,166)	79,632
Increase (Decrease) in capital advances	-	-
Increase (Decrease) in deferred revenues	-	(741,000)
Increase (Decrease) in trust liability	(10,432)	8,639
	467,668	(926,612)
Cash from operations	199,041	(1,067,839)
<b>Financing Activities</b>	-	-
<b>Investing Activities</b>	-	-
Change in cash during the year	199,041	(1,067,839)
Cash, beginning of year	477,377	1,545,216
Cash, end of year	\$ 676,418	\$ 477,377
Cash consists of :		
Cash and cash equivalents, Note 4	\$ 602,391	\$ 392,891
Trust asset, Note 14	74,027	84,486
	\$ 676,418	\$ 477,377

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

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## Note 1. Hay River Health & Social Services Authority

The Hay River Health & Social Services Authority (the Authority) was established under the Societies Act on November 1, 2003. The Authority operates under the Hospital Insurance and Health and Social Services Act of the Northwest Territories 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 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

Other revenue is recognized when the service is performed or the goods are provided.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

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## 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 to the extent that transfer stipulations give 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 are recognized in the period the goods and services are acquired, 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.

### Tangible Capital Assets

The GNWT retains ownership of all tangible capital 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.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

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## Note 2. Significant Accounting Policies (continued)

### 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, 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 revenue is expected to be received 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.

### 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.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

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## Note 2. Significant Accounting Policies (continued)

### Financial Instruments (continued)

The Authority's accounting policy for financial instruments is as follows:

This category includes cash, trust assets, accounts receivable, accounts payable, 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 increases and the increase 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.

### Segmented Information

The Hay River Health & Social Services Authority segments its operating expenses for financial reporting purposes based upon areas of service type. This information is provided on the statement of operations.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 3. Future Accounting Changes

### Revenue - Section PS 3400

PSAB has implemented changes to Section PS 3400 - Revenue, that specifically outlines the accounting treatment and reporting of revenues arising from transactions that include performance obligations; such that the revenues should not be realized until the entity has satisfied the performance obligations. These changes are to be applied to fiscal years beginning on or after April 1, 2022, but early adoption is permitted. The updated PS 3400 has not yet been adopted by the Authority and the impact of the transition to these changes has not yet been determined.

## Note 4. Cash and Cash Equivalents

	2020	2019
Cash	\$ 602,391	\$ 392,891

## Note 5. Special Purpose Funds - Nil Report

## Note 6. Portfolio Investments - Nil Report

## Note 7. Accounts Receivable

	Receivables 2020	AFDA 2020	Net 2020	Net 2019
Due from GNWT - HSS	\$ 790,551	\$ -	\$ 790,551	\$ 989,270
Due from GNWT - Finance	12,690	-	12,690	5,163
Due from GNWT - Infrastructure	4,189	-	4,189	5,275
Due from GNWT - Justice	1,549	-	1,549	978
Due from GNWT - Human Resources	-	-	-	-
Due from Government of Nunavut	-	-	-	-
Due from WSCC	29,587	-	29,587	63,939
Due from NTHSSA	59,336	-	59,336	33,752
Hay River Hospital & Wellness Foundation	381	-	381	-
GST rebate receivable	17,442	-	17,442	18,042
General accounts receivable	242,344	(76,639)	165,705	168,528
	\$ 1,158,069	\$ (76,639)	\$ 1,081,430	\$ 1,284,947

## Note 8. Inventories

	2020	2019
Medical and surgical	\$ 150,314	\$ 168,699
Pharmaceutical	22,224	20,699
Laboratory	10,249	10,456
Other supplies	22,672	17,406
	\$ 205,459	\$ 217,260

Inventories are held for consumption in the process of providing services and are distributed at no charge or for a nominal fee.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 9. Accounts Payable and Accrued Liabilities

	2020	2019
Due to GNWT - HSS	\$ 2,954	\$ 30,784
Due to GNWT - Finance	-	33,056
Due to GNWT - Justice	-	-
Due to GNWT - Infrastructure	567	5,768
Due to NTHSSA	51,955	92,311
Due to Government of Nunavut	-	-
Due to WSCC	-	-
Hay River Hospital & Wellness Foundation	681	623
Accounts payable and accrued liabilities	565,264	930,544
Unspent donations	18,156	18,156
Special purpose fund liabilities	57,779	48,642
	<b>697,356</b>	1,159,884
Payroll liabilities	<b>2,694,836</b>	1,900,861
	<b>\$ 3,392,192</b>	<b>\$ 3,060,745</b>

## Note 10. Due From and To the Government of Canada

	2020	2019
Receivables		
NIHB administration support funding	\$ -	\$ 50,000
Miscellaneous receivable	3,434	3,457
	<b>\$ 3,434</b>	<b>\$ 53,457</b>
Payables		
Advances for projects on behalf of the Government of Canada	\$ -	\$ -
Miscellaneous payables	-	-
	<b>\$ -</b>	<b>\$ -</b>

## 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 as 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 1.88 (prior to January 1, 2020 was 1.68) 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.

The pension plan provides benefits based on the number of years of credited service limited to the maximum allowed within the plan. Benefits are determined by a formula set out within the plan; they are not based on the financial status of the pension plan. The basic benefit formula is 1.5 percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings up to the YMPE and 2% for amounts in excess of the YMPE.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 12. Pensions (continued)

	2020	2019
Accrued benefit obligation	\$ 50,238,000	\$ 42,022,000
Market-related value of pension fund assets	67,021,000	60,691,000
	<b>(16,783,000)</b>	(18,669,000)
Unamortized actuarial gains / (losses)	<b>(1,945,000)</b>	3,542,000
Pension liability (accrued asset)	\$ <b>(18,728,000)</b>	\$ (15,127,000)
Impairment on value of accrued pension asset	<b>1,945,000</b>	-
Adjusted pension liability (accrued asset) realizable by the Authority	\$ <b>(16,783,000)</b>	\$ (15,127,000)

The pension liability (asset) includes the following components:

	2020	2019
Pension liability (accrued asset) - beginning of year	\$ <b>(15,127,000)</b>	\$ (12,464,000)
Cash items:		
Member contributions	<b>(1,172,000)</b>	(1,122,000)
Employer contributions	<b>(3,405,000)</b>	(3,027,000)
Benefit payments	<b>(2,236,000)</b>	(4,596,000)
Drawdown from plan assets	<b>2,236,000</b>	4,596,000
Net change to pension liability from cash items	<b>(4,577,000)</b>	(4,149,000)
Accrual items:		
Current period benefit cost	<b>2,741,000</b>	2,684,000
Amortization of actuarial gains/losses	<b>(705,000)</b>	(352,000)
Interest on average accrued benefit obligation	<b>2,281,000</b>	2,149,000
Expected earnings on average pension fund assets	<b>(3,341,000)</b>	(2,995,000)
	<b>976,000</b>	1,486,000
Pension liability (accrued asset) before impairment	\$ <b>(18,728,000)</b>	\$ (15,127,000)

The pension expense (revenue) is included in the statement of operations as a component of undistributed amounts.

	2020	2019
Pension expense (revenue)	\$ <b>(1,656,000)</b>	\$ (2,663,000)
Expected earnings on plan assets	<b>5.22%</b>	6.05%
Actual earnings on plan assets	<b>5.23%</b>	6.50%
Difference between actual and expected	<b>0.01%</b>	0.45%

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## 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:

	2020	2019
Date of actuarial valuation	1-Jan-20	1-Jan-20
Date of next valuation	1-Jan-21	1-Jan-20
Discount rate at valuation	4.55%	5.40%
Date of audited financial statements	31-Mar-20	31-Mar-20
Discount rate at March 31 extrapolation	4.85%	5.40%
Market value of the plan assets	\$ 65,275,000	\$ 58,556,000
Expected return on plan assets	5.40%	5.15%
Future inflation	2.00%	2.00%
Future compensation increases	2.50%	2.50%
Expected average remaining service life (years)	7.7	7.4

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, are valued using the 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 and 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 \$32,500 per month.

### Plan amendments:

As at the valuation date, there have been no amendments to the plan since the date of the previous valuation.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## 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.

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 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, 2020. The effective date of the next actuarial valuation is March 31, 2021. The liabilities are actuarially determined as the present value of the accrued benefits at February 15, 2020 and the results extrapolated to March 31, 2020. The values presented below are the benefits under the Compensated Absences and Termination Benefits for the Authority extracted from the valuation report for the consolidated Government of the Northwest Territories.

	Severance and Removal	Compensated Absences	2020	2019
<u>Change in Obligation</u>				
Accrued benefit obligation, opening	\$ 2,551,987	\$ 192,262	\$ 2,744,249	2,417,901
Current period benefit costs	187,524	13,752	201,276	198,374
Interest accrued	78,231	5,877	84,108	92,211
Benefit payments	(177,484)	(360,292)	(537,776)	(330,099)
Plan amendments	-	-	-	-
Actuarial gains (losses)	(335,411)	321,541	(13,870)	365,862
Accrued benefit obligation, closing	2,304,847	173,140	2,477,987	2,744,249
Unamortized net actuarial (gain) loss	(22,807)	(821,210)	(844,017)	(1,021,113)
Accrued benefit (liability) asset	2,282,040	(648,070)	1,633,970	1,723,136
Other employee future benefits	-	-	-	-
Other compensated absences	-	-	-	-
Total employee future benefits and compensated absences	\$ 2,282,040	\$ (648,070)	\$ 1,633,970	\$ 1,723,136
<u>Benefits Expense</u>				
Current period benefit cost	187,524	13,752	201,276	198,374
Interest accrued	78,231	5,877	84,108	92,211
Plan amendments	-	-	-	-
Amortization of actuarial (gain) loss	74,913	88,313	163,226	119,146
	\$ 340,668	\$ 107,942	\$ 448,610	\$ 409,731

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 13. Employee Future Benefits and Compensated Absences (continued)

The discount rate used to determine the accrued benefit obligation is an average of 2.70%, down from the prior years rate of 3.20% . No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
2021	\$ 422,457	\$ 34,685	\$ 457,142
2022	323,893	24,767	348,660
2023	257,879	18,508	276,387
2024	225,205	15,524	240,729
2025	194,301	12,514	206,815
	<b>\$ 1,423,735</b>	<b>\$ 105,998</b>	<b>\$ 1,529,733</b>

### Contingent Revenue

Revenue of \$55,841 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 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.

	2020	2019
Patient Trust Asset	\$ 74,027	\$ 84,486
Patient Trust Liability	\$ 73,258	\$ 83,690

## 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 \$2,119,933 (\$2,027,428 in 2019) based on the Government's amortization expense for these assets.

## Note 16. Contractual Obligations

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.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 16. Contractual Obligations (continued)

The Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2020.

Expires in fiscal year	Residential 2021	Equipment 2026	Operational 2021	Total
2021	\$ 160,200	\$ 170,124	\$ 58,825	\$ 389,149
2022	-	89,439	1,310	90,749
2023	-	80,229	-	80,229
2024	-	78,905	-	78,905
2025	-	76,455	-	76,455
Subsequent	-	84,648	-	84,648
	\$ 160,200	\$ 579,800	\$ 60,135	\$ 800,135

## Note 17. Contingent Liabilities

In common with many health authorities, claims are made against the Authority and its staff. The Authority is defending actions brought against them and management does not believe a significant loss will occur. An allowance has been made 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 legal experts and human resources staff experience or case law and historical data in similar circumstances.

With any employer, especially those with a union, there are always risks of employee grievances. At the end of the fiscal year a number of grievances were awaiting arbitration. In the opinion of management and legal council, no material accrued liability needs to be established. Should any further loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

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.

Under the terms of the contribution agreement between the Government of the Northwest Territories, the Authority may be liable to repay any restricted or contributed fund not expended in accordance with contribution agreements. The Authority has recorded all known unexpended contribution funds repayable.

## Note 18. Budget

The budget figures are the opening budgets as 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 significant decrease in market values due to the drop in the economy at the declaration of the world pandemic declared in March 2020 have since recovered. This has resulted in the significant decrease in the net pension plan asset from the market value at March 31, 2020 as reported in Note 12, being recovered subsequent to year end to be inline with the valuation completed as at January 1, 2020 of \$18,054,000 .

## Note 21. Comparative Figures

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

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## 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.

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 2020	Allowance for Doubtful Accounts 2020	Net 2020	Net 2019
<u>Due from related parties</u>				
Accounts Receivable				
GNWT, Note 7				
Department of HSS	\$ 790,551	\$ -	\$ 790,551	\$ 989,270
Department of Finance	12,690	-	12,690	5,163
Department of Infrastructure	4,189	-	4,189	5,275
Department of Justice	1,549	-	1,549	978
	808,979	-	808,979	1,000,686
NTHSSA - HQ, Note 7	15,429	-	15,429	31,817
NTHSSA - Finance	31,626	-	31,626	-
NTHSSA - Other	8,765	-	8,765	-
Stanton Territorial Health Region	747	-	747	-
Yellowknife/Fort Resolution Region	2,769	-	2,769	1,935
	59,336	-	59,336	33,752
Hay River Hospital Foundation	381	-	381	-
	\$ 868,696	\$ -	\$ 868,696	\$ 1,034,438
			<b>2020</b>	<b>2019</b>
<u>Due to related parties</u>				
Accounts Payable:				
GNWT, Note 9				
Department of HSS			\$ 2,954	\$ 30,783
Department of Finance			-	33,057
Department of Justice			-	-
Department of Infrastructure			567	5,768
			3,521	69,608
NTHSSA - HQ, Note 9				
Yellowknife Region			49,108	16,675
DehCho Region			-	519
Fort Smith Region			-	-
Stanton Territorial Health Region			2,847	75,117
			51,955	92,311
Hay River Hospital Foundation			681	623
			\$ 56,157	\$ 162,542
Deferred revenues, GNWT-HSSA, Note 26			56,633	56,633
Contributions repayable, GNWT-HSSA, Note 27			2,581,623	2,603,207
Accountable capital advances, GNWT-HSSA, Note 28			5,829	5,829
			\$ 112,790	\$ 2,828,211

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 22. Related Party Transactions (continued)

	2020	2019
<b>Revenues</b>		
GNWT		
Department of Health & Social Services	\$ 33,054,429	\$ 31,700,188
Department of Finance	12,690	-
Department of Infrastructure	6,595	5,163
Department of Justice	2,173	4,313
Department of Human Resources	559	10,832
	<b>33,076,446</b>	<b>31,720,496</b>
NTHSSA - HQ		
DehCho HSSA	36,850	104,792
Yellowknife HSSA	5,409	19,836
Stanton Territorial Health Authority	4,739	130
Beaufort-Delta HSSA	1,581	-
Fort Smith Health Centre	1,428	-
Sahtu HSSA	1,311	976
Hay River Hospital Foundation	-	107,807
NWT Housing Corp.	362	-
	-	160
	<b>\$ 33,128,126</b>	<b>\$ 31,954,197</b>

	2020	2019
<b>Expenses</b>		
GNWT		
Department of Health & Social Services	\$ 5,495	\$ 135
Department of Human Resources	-	-
Department of Infrastructure	-	8,555
Department of Justice	-	-
	<b>5,495</b>	<b>8,690</b>
NTHSSA		
Stanton Territorial Health Authority	157,146	230,677
Yellowknife HSSA	65,024	148,393
Fort Smith HSSA	-	923
	<b>\$ 227,665</b>	<b>\$ 388,683</b>

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.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

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## 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:

### 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 Note 7.

The Authority's maximum exposure to credit risk is represented by the financial assets less the pension plan and trust asset for a total of \$1,687,255 (2019 - \$1,731,295).

The world pandemic that was declared in March 2020 has resulted in an increase in unemployment, volatile financial markets and overall economic uncertainty. As a result the Authority is exposed to an increased amount of credit risk from its customers and has account for this increased risk in allowance for doubtful accounts.

### 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, 2020, one customer in accounts receivable accounts for 74% (2019 - 75%) 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 \$118,544,282 including the \$16,783,000 pension asset; financial liabilities are \$7,744,202. The authority has disclosed future financial liabilities and commitments in Notes 13, 16 and 17.

### 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. The defined benefit pension plan asset valuation holds significant risk due to market fluctuations which can significantly impact the value. As a result of the world pandemic declared in March 2020, the value of the pension plan has taken a significant decrease and the actuarial has adjusted the valuation accordingly. This associated risk in market value is reduced through ensuring that the pension plan has a widely divested portfolio.

### Currency Risk

The Authority deals exclusively in Canadian funds held in the bank, but does carry some foreign investments within the pension plan and is reduced through ensuring that the pension plan has a widely divested portfolio.

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.

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 24. Expenses by Object

	2020 Budget	2020 Actual	2019 Actual
Compensation			
Salaries and wages	\$ 24,905,646	\$ 26,494,885	\$ 25,205,835
Severance and removal	300,000	227,689	367,396
Pension plan special payments and valuation adjustment	770,004	(981,000)	(1,719,709)
Locums	1,808,004	1,831,776	1,253,932
Medical supplies	1,091,844	1,156,189	1,094,141
Referred out services	598,896	484,831	817,720
Grants and contributions	680,004	680,000	560,000
Travel assistance	362,004	421,162	349,025
Equipment maintenance	411,672	358,442	441,915
Rent	248,724	323,509	268,250
Foster care	425,520	317,974	376,574
Phone and postage	277,128	314,659	290,578
Locum removal	337,500	288,968	148,310
Travel	173,724	214,025	173,346
Professional fees	335,916	213,382	327,184
Training	100,008	163,498	159,647
Office supplies	168,768	164,459	158,813
Purchases service personnel	51,516	99,741	40,157
Minor equipment	59,712	80,496	170,995
Software licensing	100,164	71,234	93,071
Honorariums	61,008	64,311	102,989
Garbage	32,604	33,948	36,602
Memberships	47,004	16,035	33,099
Advertising	31,848	36,645	39,799
Bank charges	7,296	13,203	9,919
Bad debt	-	6,191	(6,608)
	\$ 33,386,514	\$ 33,096,252	\$ 30,792,980

## Note 25. Prepaid Expenses and Deposits

	2020	2019
Service and maintenance packages	\$ 110,376	\$ 125,838
Pension special payments	95,000	57,763
Travel	1,124	14,961
Deposit	2,000	2,000
	\$ 208,500	\$ 200,562

## Note 26. Deferred Revenue

Deferred revenue represents funds that have been received for specific programs but remain unspent at March 31, 2020 as follows:

	2020	2019
Government of the Northwest Territories		
Department of Health and Social Services		
Professional Development Initiative	\$ 56,633	\$ 56,633
2020/2021 Core funding received in advance	-	-
	\$ 56,633	\$ 56,633

# HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2020

## Note 27. 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, 2020:

	2020	2019
Government of the Northwest Territories		
Department of Health and Social Services		
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
Transitional unspent funding 16/17	448,000	448,000
Children Who Witness Violence 17/18 - double payment	6,250	6,250
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
Foster care unspent restricted funding 18/19	12,391	12,391
Homecare unspent restricted funding 18/19	4,459	4,459
Transitional unspent funding - New Health Center 18/19	271,137	271,137
Referred Out Services - core funding overpayment 18/19	355,000	355,000
Healthy Families/Collective Kitchen unspent funding 18/19	-	108
Transitional unspent funding - New Health Center 10/20	161,384	-
Foster care unspent restricted funding 19/20	66,087	-
Homecare unspent restricted funding 19/20	42,760	-
Midwifery unspent restricted funding 19/20	21,432	-
	<b>2,581,623</b>	2,603,207
Hay River Metis Government Council		
Living in Balance unspent funding 16/17	697	697
	<b>\$ 2,582,320</b>	<b>\$ 2,603,904</b>

## 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.

	2020	2019
Beginning balance	\$ 5,829	\$ 5,829
Capital purchases paid out of advanced funds	-	-
Ending balance	\$ 5,829	\$ 5,829

## Note 29. Accumulated Surplus (Deficit)

	2020	2019
Operating fund accumulated surplus (deficit)	\$ 12,526,341	\$ 11,049,802
Employee leave and termination liability fund	(1,812,302)	(1,723,136)
Cash Reserve	500,000	500,000
	<b>\$ 11,214,039</b>	<b>\$ 9,826,666</b>

**HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY**

Schedule of Contributions from the GNWT

Schedule A

For the year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Contributions from the GNWT			
<b>Department of Health and Social Services</b>			
Core Contribution Department of Health			
Administrative and Support Services	7,209,000	\$ 8,207,000	\$ 7,813,000
Nursing Inpatient Services	4,233,000	4,541,000	4,108,000
Ambulatory Care	2,644,000	2,683,000	2,626,000
Diagnostic and Therapeutic Services	2,893,000	3,003,000	3,204,000
Community Health Programs	11,553,000	11,963,000	11,508,000
Community Social Programs	2,253,000	2,312,000	1,995,000
Supplementary Health Programs	22,000	22,000	22,000
	<u>30,807,000</u>	<u>32,731,000</u>	<u>31,276,000</u>
Add: Additional funding for Renal Dialysis	-	-	414,000
Add: Allocation of other region's physician surplus	-	-	4,911
Less: Net contributions repayable/deferred	-	(291,663)	(642,987)
	<u>30,807,000</u>	<u>32,439,337</u>	<u>31,051,924</u>
Other Department of Health and Social Services Contributions			
Home and Community Care (Schedule A-1)	265,440	283,978	433,935
Healthy Families	12,984	-	-
Collective Kitchens	27,000	20,397	20,304
Prenatal/Postnatal Parenting	-	-	30,292
Children Who Witness Violence	12,504	-	-
Mental Health First Aid	-	-	3,596
Applied Suicide Intervention Skills Training	-	-	530
	<u>317,928</u>	<u>304,375</u>	<u>488,657</u>
<b>Total Department of Health</b>	<u>31,124,928</u>	<u>32,743,712</u>	<u>31,540,581</u>
<b>GNWT Department of Human Resources</b>	-	-	-
<b>Total Contribution from the GNWT</b>	<u>\$ 31,124,928</u>	<u>\$ 32,743,712</u>	<u>\$ 31,540,581</u>

**HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY**  
 Schedule of Detailed Contribution Funding and Expenditures  
 Home and Community Care  
 PO-4660am1  
 For the year ended March 31, 2020

Schedule A-1

	<b>2020</b>	2019
	<b>Actual</b>	Actual
<b>Funding</b>		
Government of the Northwest Territories		
Department of Health and Social Services	\$ <b>316,476</b>	\$ 514,110
less funds not yet received	-	-
less contributions repayable	<b>(32,498)</b>	(80,175)
	<b>283,978</b>	433,935
<b>Expenditures</b>		
Compensation and benefits	<b>255,373</b>	248,478
Supplies	<b>8,328</b>	13,535
Sundry	<b>1,371</b>	7,978
Equipment expense	<b>3,786</b>	100,776
Training	<b>15,120</b>	63,892
	<b>283,978</b>	434,659
	\$ -	\$ (724)

\*\* Funds in the amount of \$283,373 are receivable on the agreement as of the end of the year

**HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY**

Schedule of Reserves

Schedule B

For the year ended March 31, 2020

	Leave and Termination Benefits Reserve		Cash Reserve		Total Reserves	
	2020	2019	2020	2019	2020	2019
Balance, beginning of the year	\$ (1,723,136)	\$ (1,643,504)	\$ 500,000	\$ 500,000	\$ (1,223,136)	\$ (1,143,504)
Change to opening balances		-			-	-
(Increase) Decrease in employee future benefits and compensated absence	(89,166)	(79,632)	-	-	(89,166)	(79,632)
Transfers between reserves	-	-	-	-	-	-
Balance, end of year	\$ (1,812,302)	\$ (1,723,136)	\$ 500,000	\$ 500,000	\$ (1,312,302)	\$ (1,223,136)



**NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY**

**Financial Statements**

**March 31, 2020**

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# Northwest Territories Health and Social Services Authority

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Statement of Operations and Accumulated Deficit	16
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## Management Discussion and Analysis

### Introduction

The Northwest Territories Health and Social Services Authority (NTHSSA) has prepared this Management Discussion and Analysis to provide an overview of the operating activities and enhance the overall financial disclosure; and to provide the context to the financial information contained in the Authority's 2019-2020 Audited Financial Statements. These activities demonstrate the commitment of the NTHSSA management and the Northwest Territories Leadership Council (Leadership Council) in assuming accountability for the delivery of Health and Social Services programs and services in a responsible and transparent manner.

The NTHSSA, established on August 1, 2016, is an agency of the Government of the Northwest Territories (GNWT) and responsible for the operation and delivery of health and social services in the Northwest Territories 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.

2019-2020 marks the third full year of operations of NTHSSA. The NTHSSA continues to identify, monitor, and improve its operations with a focus on meeting the objectives in the NTHSSA Operational Plan.

Working collaboratively with the Hay River Health and Social Services Authority, the Tłı̄chǝ Community Services Agency, and the GNWT's Department of Health and Social Services, the NTHSSA is part of an integrated NWT health and social services system, working towards a one-system approach to provide quality care to NWT residents.

The NTHSSA is responsible for the delivery of care and services in accordance with the territorial plan set out by the Minister of Health and Social Services; specifically, the NTHSSA is responsible 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.

## **Structure of the NTHSSA**

The Leadership Council is the board of management for the NTHSSA. The Leadership Council develops 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 (5); the chairperson of the Tłı̄ch̄q Community Services Agency; the chairperson of the Hay River Health and Social Services Authority and the Deputy Minister of the Department of Health and Social Services (ex-officio and non-voting).

Each of the regions across the NTHSSA have Regional Wellness Councils (RWC) that act as advisory bodies to gather information from communities and residents, to provide feedback to the NWT Health and Social Services System and to promote activities that support service delivery for the health and well-being of patients, clients, and families.

The 2019-2020 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. Brian Willows (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. Nancy Trotter (Chair, Yellowknife RWC)

Ex-officio and non-voting Member: 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 structured with six executive branches that are responsible for delivering health and social services and programs across the NWT. Regional operational branches in the Beaufort Delta, Dehcho, Sahtu, Fort Smith and Yellowknife regions of the NWT are supported by Territorial operational branches guided by the CEO's office.

The six executive branches include:

Office of the Chief Executive Officer: Corporate leadership; practitioner leadership; corporate workforce planning; system collaboration; governance support.

Finance: Financial leadership; budgeting; financial reporting and analysis; financial operations.

Clinical Integration: Quality improvement and support for child, family and community wellness; territorial quality, safety and client experience leadership; quality improvement and support for health services.

Corporate and Support Services: Informatics and health technology support and leadership; strategy and planning leadership; patient movement operations; communications support.

Regional Operations: Primary care; community health clinic operations; home care; mental health and addictions services; health promotion; public health; child and family services; family violence programs; adult support services; rehabilitation services; long term care services; facility operations.

Stanton Territorial Hospital: Acute inpatient services; emergency services, specialty clinics, diagnostic and therapeutic services; rehabilitation services in partnership with regional operations.

## **Financial Overview**

The 2019-2020 initial Authority budget of was approved in the last quarter of the previous fiscal year. Throughout the fiscal year, as program changes, new initiatives, and projects are identified; corresponding adjustments are made to the initial fiscal year's budget. In total NTHSSA received funding from GNWT contributions of \$375.3M, with an additional \$17.11M realized from Other sources of revenue.

### **2019-2020 GNWT Funding Contribution Highlights**

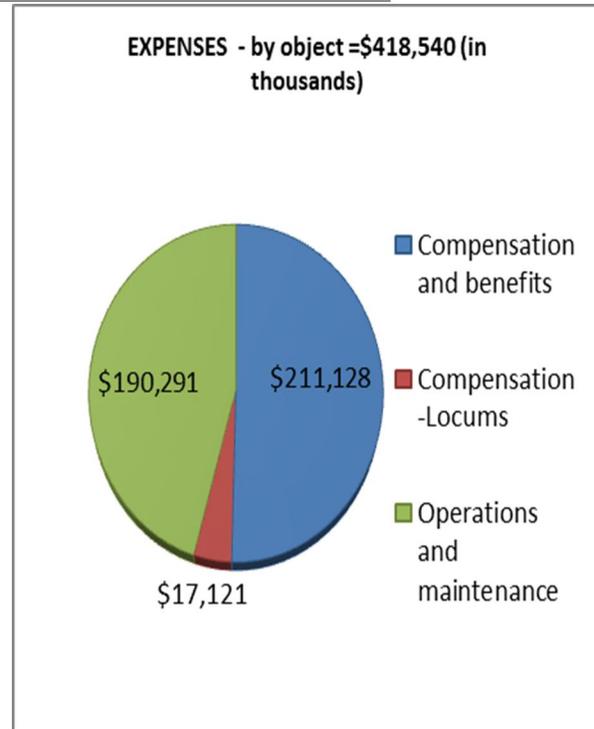
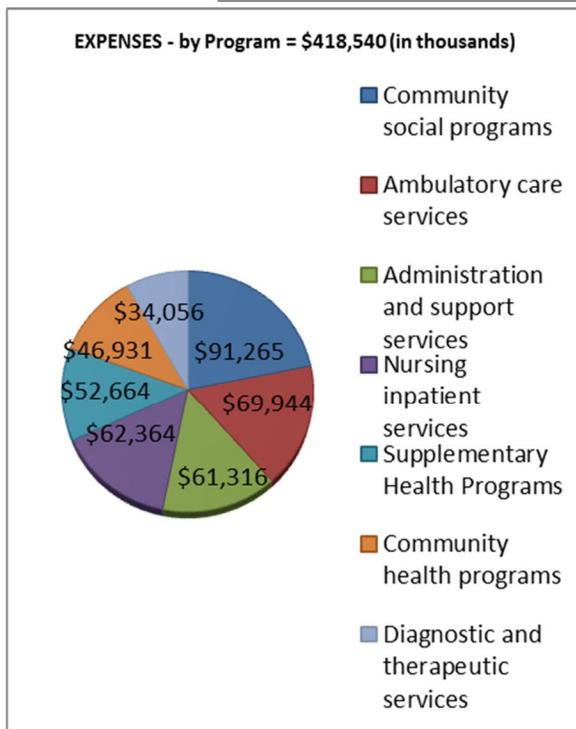
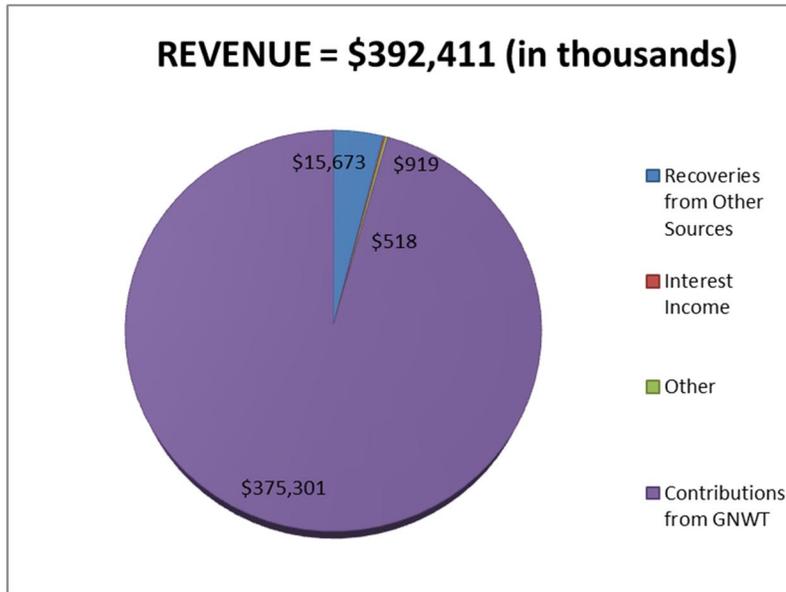
- Increase in funding for support service delivery in the Stanton Territorial Hospital.
- Increase in funding for Child and Family services.
- Increase in funding for Child and Youth services.
- Increase in funding for Day Shelter and Sobering Centre
- Increase in funding for 2019-20 Collective Agreement increases
- Increase in funding for Physician contracts

### **2019-2020 Operating Results**

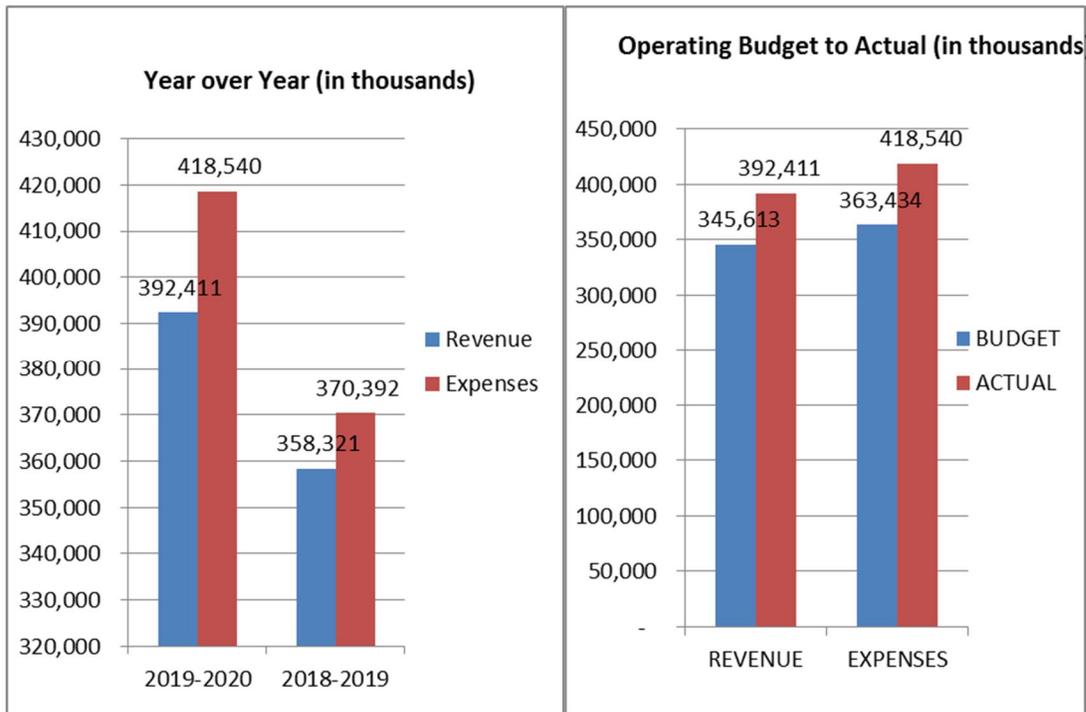
For the 2019-2020 fiscal year, revenue was approximately \$46.798M higher than budget. The Actual expenses were approximately \$50.2M higher than budgeted.

NTHSSA remains committed to meeting its' operational mandate and expected service levels; notwithstanding, significant pressure in 2019-2020 on fiscal resources that exist within the NTHSSA has resulted in a deficit of \$26.129M.

NTHSSA's overall 2019-2020 actual revenue and expenses are summarized in the following charts:



In comparing 2018-2019 to 2019-2020



### **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 Harbour to the southern NWT/Alberta border community of Fort Smith.

Delivering the NTHSSA mandate to such a large geographic area requires well-defined systems and processes, culturally safe practices, 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 NTHSSA Strategic Direction as noted in the 2019-2020 Operational Plan fall under three themes:

- Bette Future – Build a sustainable health and social services system through enabling the sustainability of our organization by developing our people, improving our technology and building collaborative partnerships.
- Best Care – Care and services are responsive to children, individuals, families and communities through optimizing our processes and build a foundation of quality and continuous improvement that is culturally safe, appropriate and accessible.

- Best Health - Support the health and wellness of the population through realizing improved quality of programs and services.

Identified key actions are detailed within the 2019-2020 Operational Plan to promote operational sustainability:

- Align NTHSSA financial functions across regions to streamline operations
- Transition to a single financial system
- Implement standard onboarding and orientation for new employees

In the review of the operating results for the NTHSSA, the following strengths, weaknesses, opportunities and threats that may have financial impacts have been noted:

<b>Strengths</b>	<b>Challenges</b>
<ul style="list-style-type: none"> <li>• The same financial system as GNWT</li> <li>• NTHSSA wide Chart of Accounts (improvements ongoing)</li> <li>• NTHSSA wide Financial system (SAM)</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment challenges leading to the extensive use of overtime and locums</li> <li>• Need to re-evaluate Charts of Accounts Expenditure structure and mapping</li> </ul>
<b>Opportunities</b>	<b>Threats/Risks</b>
<ul style="list-style-type: none"> <li>• Increased use of Virtual Care</li> <li>• Territorial Financial Structure</li> <li>• Workforce Development</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing deficit</li> <li>• Aging population</li> <li>• Vast geographical area of NWT</li> <li>• Impact of COVID-19 Pandemic</li> </ul>

#### Building on Strengths

In 2019-2020 NTHSSA transitioned to the GNWT wide System for Accountability and Management (SAM) a single financial systems which aligns NTHSSA with the GNWT. Implementing NTHSSA wide chart of accounts in addition to the implementation of SAM will allow for better reporting and decision making. NTHSSA is committed to learning and continuous improvement of Chart of Accounts.

#### Addressing Challenges

The NTHSSA will leverage the GNWT programs that support the NTHSSA's commitment to improving the ability to recruit, retain and develop a local workforce across the NWT.

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 conjunction with the SAM implementation, some processes and staff have transitioned to the Department of Finance at financial and employee shared services (FESS). During the SAM implementation Finance realigned its organizational structure to allow for improved support to NTHSSA executive and the regions. Restructuring of Finance will also provide for opportunities to standardize functions across the regions, but may result in an increased investment in the first year.

### Mitigating Risks

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 Hospital 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. This was a particular challenge in the 2019-2020 fiscal year, where casual staff use sharply increased in our Acute Care services.

The COVID-19 pandemic has had a significant impact to our lives. NTHSSA started preparing for the pandemic in the final quarter of the 2019-2020 fiscal year. NTHSSA has worked with the office of the Chief Public Health Officer to ensure the safety of patients and staff during the pandemic. Financially, NTHSSA incurred costs directly related to the Pandemic in 2019-2020. Federal funding will follow to mitigate costs.

### Financial Condition

As at March 31, 2020 NTHSSA incurred an operating deficit of \$26.129M, which was \$8.3M higher than the budgeted operating deficit of \$17.8M. This increased NTHSSA's accumulated deficit to \$126.991M. For a detailed review of NTHSSA's financial condition, refer to the Statement of Financial Position and Statement of Operations and Accumulated Deficit.

	In Thousands	
	2019-2020 Actual	2018-2019 Actual
<b>Accumulated (deficit) closing</b>	(126,991)	(100,862)
<b>Accumulated (deficit) opening</b>	(100,862)	(88,791)
<b>Annual (deficit)</b>	(26,129)	(12,071)
<b>Recovery of prior years' expenses</b>	1,185	2,581
<b>Employee future benefits reserve</b>	69	131
<b>Unfunded items - Employee future benefit liability</b>	8,646	10,116
<b>Change in Employee future benefit</b>	(1,470)	(1,409)

Compensation and benefits represent 50% of NTHSSA's overall expenses and is a contributing factor to NTHSSA accumulated deficit. Some of the key factors in this area relate to staffing models, overtime, sick time, relocation, and removal costs within the Collective Agreement between the Union of Northern Workers and the GNWT. For the Employee Future Benefit liability, the NTHSSA recognizes the expenses on an accrual basis; however, funding is associated to current annual expenses and not to accruals for an estimated future liability.

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, certain operating costs for Stanton Hospital under P3 agreement, mainframe and software systems, medical equipment, and vehicles for use in program and service delivery. These would have cost the Authority an estimated \$24.979M (2019 - \$9.896M) based on the calculated depreciation expense and P3 service payments by the Government and have been recognized as rent expense and contracted out services related to P3, with a corresponding grant-in-kind in the financial statements.

### **Summary and Outlook**

The 2019-2020 fiscal year represented the third full year of operations for the NTHSSA. NTHSSA continues to focus on its strategic direction of Better Future, Best Care and Best Health. This fiscal year has been challenging and has impacted the financial position of NTHSSA: Accreditation, COVID-19, increased reliance on the use of Locums, and the opening of the new Stanton Territorial Hospital.

NTHSSA primary focus for the 2020-2021 fiscal year is to balance the public health measure to prevent viral spread with the continuation of provision of necessary healthcare and social services. In addition, NTHSSA will focus on defining and realizing deficit reductions strategies through partnership with the GNWT's Department of Health and Social Services and the Department of Finance.



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**SUE CULLEN**  
Chief Executive Officer

**25 August 2020**



## Northwest Territories Health and Social Services Authority

### Management's Responsibility for Financial Reporting

Management is responsible for preparing the accompanying financial statements 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 2 to the financial statements. Management is responsible for making certain estimates and judgements required for the preparation of the financial statements. Management is responsible for ensuring that financial information presented elsewhere in the annual report is consistent with the financial statements.

Management is responsible for maintaining 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. Management 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 her opinion on the financial statements. She also considers whether the transactions that come to her 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).



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Sue Cullen  
Chief Executive Officer

August 25, 2020



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Gloria Badari, CPA, CGA  
Chief Financial Officer



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

### *Opinion*

We have audited the financial statements of the Northwest Territories Health and Social Services Authority (the Authority), which comprise the statement of financial position as at 31 March 2020, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 31 March 2020, 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.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



David Irving, CPA, CA  
Principal  
for the Auditor General of Canada

Edmonton, Canada  
25 August 2020

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# Northwest Territories Health and Social Services Authority

## Statement of Financial Position

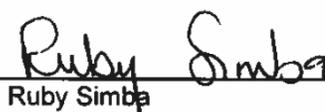
(All figures in thousands of dollars)

As at March 31,	2020	2019
<b>Financial Assets</b>		
Cash	\$ 25,122	\$ 13,953
Accounts receivable (note 4)	8,524	7,389
Due from Government of the Northwest Territories (note 5)	39,596	21,399
Due from Government of Canada	206	641
	<b>73,448</b>	43,382
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 6)	28,635	21,180
Due to Government of the Northwest Territories (note 5)	166,978	117,181
Due to Government of Canada	49	28
Employee future benefits (note 7)	8,646	10,116
	<b>204,308</b>	148,505
<b>Net Debt</b>	<b>(130,860)</b>	(105,123)
<b>Non-Financial Assets</b>		
Inventory held for use	3,204	3,221
Prepaid expenses	665	1,040
	<b>3,869</b>	4,261
<b>Accumulated Deficit (note 8)</b>	<b>\$ (126,991)</b>	<b>\$ (100,862)</b>

**Contractual Obligations and Contingencies** (notes 9 and 10)

Approved on behalf of the Authority:

  
\_\_\_\_\_  
Jim Antoine  
Leadership Council  
Board Chairperson

  
\_\_\_\_\_  
Ruby Simba  
Leadership Council  
Member

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The accompanying notes are an integral part of these financial statements.

# Northwest Territories Health and Social Services Authority

## Statement of Operations and Accumulated Deficit

(All figures in thousands of dollars)

For the year ended March 31,	2020		2019
	Budget	Actual	Actual
<b>Revenues</b>			
Recoveries from other sources	\$ 12,379	\$ 12,663	\$ 10,028
Recoveries from Nunavut	3,000	2,167	2,417
Contributions from other sources	-	919	877
Interest income	400	518	571
Other income	508	843	387
<b>Total Revenue</b>	<b>16,287</b>	<b>17,110</b>	14,280
<b>Expenses (note 15)</b>			
Community social programs	83,355	91,265	81,396
Ambulatory care services	65,028	69,944	65,782
Administration and support services	52,665	61,316	57,376
Nursing inpatient services	41,372	62,364	39,916
Supplementary health programs	49,603	52,664	51,209
Community health programs	41,711	46,931	44,533
Diagnostic and therapeutic services	29,700	34,056	30,180
<b>Total Expenses</b>	<b>363,434</b>	<b>418,540</b>	370,392
<b>Deficit for the year before Government contributions</b>	<b>(347,147)</b>	<b>(401,430)</b>	(356,112)
<b>Government contributions</b>			
Contributions from Government of the Northwest Territories - core	289,723	298,257	284,000
Contributions from Government of the Northwest Territories - other	5,021	6,585	7,546
Recoveries from Government of the Northwest Territories	22,506	27,739	26,749
Recoveries - non insured health services	14,737	16,556	13,269
Recoveries of prior year expenses	(2,661)	1,185	2,581
Grant-in-kind - Government assets and services provided at no charge (note 12)	-	24,979	9,896
<b>Total Government contributions</b>	<b>329,326</b>	<b>375,301</b>	344,041
<b>Annual deficit</b>	<b>(17,821)</b>	<b>(26,129)</b>	(12,071)
<b>Accumulated deficit, beginning of year</b>	<b>(100,862)</b>	<b>(100,862)</b>	(88,791)
<b>Accumulated deficit, end of year</b>	<b>\$ (118,683)</b>	<b>\$ (126,991)</b>	\$ (100,862)

The accompanying notes are an integral part of these financial statements.

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## Northwest Territories Health and Social Services Authority

### Statement of Changes in Net Debt

(All figures in thousands of dollars)

For the year ended March 31,	2020		2019
	Budget	Actual	Actual
<b>Annual deficit for the year</b>	\$ (17,821)	\$ (26,129)	\$ (12,071)
<b>Adjustments</b>			
Acquisition of inventories held for use	-	(6,370)	(6,461)
Consumption of inventories held for use	-	6,387	5,975
Acquisition of prepaid expenses	-	(3,249)	(1,156)
Use of prepaid expenses	-	3,624	1,266
<b>Change in net debt for the year</b>	(17,821)	(25,737)	(12,447)
<b>Net debt, beginning of year</b>	(105,123)	(105,123)	(92,676)
<b>Net debt, end of year</b>	\$ (122,944)	\$ (130,860)	\$ (105,123)

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The accompanying notes are an integral part of these financial statements.

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## Northwest Territories Health and Social Services Authority

### Statement of Cash Flow

(All figures in thousands of dollars)

For the year ended March 31,	2020	2019
<b>Cash provided by Operating transactions</b>		
Annual deficit	\$ (26,129)	\$ (12,071)
Changes on non-cash assets and liabilities		
Change in Accounts receivable	(1,135)	(1,091)
Change in accounts payable and accrued liabilities	7,456	3,533
Net change in due to/(from) Government of the Northwest Territories	31,600	16,325
Change in employee future benefits and compensated absences	(1,470)	(1,409)
Net change in due to/(from) Government of Canada	456	(206)
Change in Inventory held for use	17	(486)
Change in Prepaid expenses	374	110
<b>Cash provided by operating transactions</b>	<b>11,169</b>	4,705
<b>Increase in cash</b>	<b>11,169</b>	4,705
<b>Cash, beginning of year</b>	<b>13,953</b>	9,248
<b>Cash, end of year</b>	<b>\$ 25,122</b>	\$ 13,953

There were no financing, investing, or capital transactions during the year.

Total interest received during the year \$518 (2019 - \$571).

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 1. Authority & 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 to manage, control and operate the public health facilities and services assigned to it by the Government of the Northwest Territories ("Government"). When the Authority was created, six of the eight Health and Social Services Authorities (HSSAs) were amalgamated under the Authority. 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 a 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 nine persons appointed in accordance with the Act, including one non-voting member. 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.

### Going concern and economic dependence

Upon amalgamation in 2016, the predecessor HSSAs had an accumulated deficit of \$50,824 which was transferred to the Authority and included in its opening financial position. For the year ended March 31, 2020 the Authority had an annual deficit of \$26,129, accumulated deficit of \$126,991, liabilities of \$204,308 (including \$166,978 due to the Government of the Northwest Territories), and total financial assets of only \$73,448.

The Authority was created as part a system-wide transformation of the health and social services system in the NWT, including addressing financial pressures. The Authority remains economically dependent upon the annual appropriations received from the Government, the Government's authorization for incurring annual deficits, the Government's continued support for payments of payroll costs on behalf of the Authority combined with the Government's continued financing of the payroll liability. The Authority anticipates that the Government will continue to provide the current financial support, while working collaboratively with the Authority to identify ways to address the financial pressures.

Since the Authority's inception, the Government has increased its funding to the Authority each year. The Authority's operations have also expanded with the opening of a health centre, long-term care facility and hospital. The going concern basis of accounting has been deemed appropriate for the current financial statements.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 2. 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.

#### (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 including medical and surgical supplies. Inventories held for use are valued at the lower of cost and replacement value.

**March 31, 2020**

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**2. Basis of presentation and significant accounting policies (continued)****(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 (except parental and maternity leave) has been prepared using data provided by management and assumptions based on management's best estimates.

**(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 financial statements as expenses when they are incurred. 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 financial statements as expenses when they are incurred.

**(g) Revenue recognition****Government transfers**

Government transfers are recognized as revenues when the transfer is authorized, reasonable estimates of the amounts can be determined 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.

**Recoveries**

Government recoveries include amounts recovered for expenses paid by the Authority primarily relating to hospital services and non-insured health benefits, are recognized as revenue when the amounts are 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.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 2. Basis of presentation and significant accounting policies (continued)

#### (h) Financial instruments

The Authority classifies its financial instruments at cost or amortized cost.

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.

#### (i) 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.

#### (j) 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.

#### (k) 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.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 2. Basis of presentation and significant accounting policies (continued)

#### (l) Related parties

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. 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 are recorded at the exchange amount, except for services provided by the Government without charge. Services provided without charge include rent, certain operating costs of the Stanton Territorial Hospital Renewal project, building utilities, payroll processing, insurance and risk management, legal counsel, construction management, records storage, computer operations, asset disposal, project management and translation services. These services are provided by the Government's central agency and with the exception of rent described in Note 2 (c) as well as certain operating costs of the Stanton Territorial Hospital Renewal project, these services cannot be reasonably estimated. The Authority does not recognize any amounts for these services in the financial statements.

#### (m) 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 deficit. Pursuant to the FAA, these recoveries cannot be used to increase the amount appropriated for current year expenses.

### 3. 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 \$277 (2019 - \$408). Funds established by the Authority include a special project reserve \$208 (2019 - \$277) which are donations made to the Authority under non-contractual conditions and a funded employee future benefits reserve \$69 (2019 - \$131) for funds received for the severance liability of employees who were transferred to the Authority from the Government.

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 4. Accounts receivable

The Authority administers the Government's medical travel program for both residents and non-residents of the territory. Non-residents of the territory accessing the medical travel program are invoiced directly and any outstanding invoices from non-residents 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 within 30 days.

	Accounts Receivable	Allow. For Doubtful Accounts	2020	2019
Trade Receivables	\$ 13,384	\$ (6,504)	\$ 6,880	\$ 5,807
Government of Nunavut	433	(3)	430	664
Due from WSCC	447	-	447	679
Due from related parties (note 14)	805	(38)	767	239
<b>Total accounts receivable</b>	<b>\$ 15,069</b>	<b>\$ (6,545)</b>	<b>\$ 8,524</b>	<b>\$ 7,389</b>

### 5. Due from/(to) Government of the Northwest Territories

For contribution agreements, the Authority receives transfer payments from the Government on a monthly basis. For other recoveries, the Authority receives payments within 30 days of submitting an invoice.

Due from Government of the Northwest Territories	Accounts Receivable	Allow. For Doubtful Accounts	2020	2019
Health and Social Services	\$ 38,579	\$ -	\$ 38,579	\$ 18,430
Finance	942	-	942	2,894
Education, Culture and Employment	43	-	43	10
Justice	23	-	23	65
Municipal and Community Affairs	9	-	9	-
<b>Total due from Government of the Northwest Territories</b>	<b>\$ 39,596</b>	<b>\$ -</b>	<b>\$ 39,596</b>	<b>\$ 21,399</b>

Due to Government of the Northwest Territories	2020	2019
Liability for payroll services provided by the Government	\$ 155,501	\$ 108,866
Health and Social Services	8,141	3,610
Finance	3,082	4,181
Infrastructure	254	346
Municipal and Community Affairs	-	178
<b>Total due to Government of the Northwest Territories</b>	<b>\$ 166,978</b>	<b>\$ 117,181</b>

The due to Government of the Northwest Territories is unsecured, without interest and due on demand.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 6. Accounts payable and accrued liabilities

The Authority follows the Government for payment practices of accounts payable invoices and pays northern vendors within 20 days and all other vendors within 30 days. 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.

	2020	2019
Trade payable	\$ 20,750	\$ 13,661
Annual leave and lieu time	7,505	7,092
Due to related parties (note 14)	380	427
<b>Total accounts payable and accrued liabilities</b>	<b>\$ 28,635</b>	<b>\$ 21,180</b>

### 7. Other employee future benefits (other than pensions) and compensated absences

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.

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 7. Other employee future benefits and compensated absences (continued) Valuation results

The most recent actuarial valuation was completed as at February 15, 2019. The results were extrapolated to March 31, 2020. The effective date of the next actuarial valuation is March 31, 2022.

	Severance and Removal	Compensated absences	2020	2019
<b>Changes in obligation</b>				
Accrued benefit obligations, beginning of year	\$ 8,681	\$ 1,698	\$ 10,379	\$ 8,587
Current period benefit cost	516	159	675	622
Interest accrued	257	54	311	315
Benefits payments	(1,505)	(1,399)	(2,904)	(2,003)
Actuarial (gain)/loss	(652)	1,118	466	2,858
<b>Accrued benefit obligations, end of year</b>	<b>7,297</b>	<b>1,630</b>	<b>8,927</b>	<b>10,379</b>
Unamortized net actuarial gain/(loss)	1,235	(2,396)	(1,161)	(669)
<b>Net future obligation</b>	<b>8,532</b>	<b>(766)</b>	<b>7,766</b>	<b>9,710</b>
Other compensated absences	-	880	880	406
<b>Total employee future benefits and compensated absences</b>	<b>\$ 8,532</b>	<b>\$ 114</b>	<b>\$ 8,646</b>	<b>\$ 10,116</b>
<b>Benefits expense</b>				
Current period benefit cost	\$ 516	\$ 160	\$ 676	\$ 622
Interest accrued	257	54	311	315
Amortization of actuarial (gain)/loss	(202)	174	(28)	(372)
	<b>\$ 571</b>	<b>\$ 388</b>	<b>\$ 959</b>	<b>\$ 565</b>

The discount rate used to determine the accrued benefit obligation is an average of 2.7% (2019 - 3.2%).

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 8. Accumulated deficit

	2020	2019
Accumulated deficit upon amalgamation in 2016	\$ 50,824	\$ 50,824
Addition to the accumulated deficit since amalgamation	<u>76,167</u>	<u>50,038</u>
Accumulated deficit	<u>\$ 126,991</u>	<u>\$ 100,862</u>

### 9. 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, 2020:

	Expires in Fiscal Year	2021	2022	2023	2024	2025	2026 and There- after	Total
Equipment leases	2027	\$ 317	\$ 276	\$ 244	\$ 181	\$ 167	\$ 93	\$ 1,278
Operational leases	2022	837	7	-	-	-	-	844
Service contracts	2027	25,301	20,888	17,130	521	480	1,031	65,351
		<u>\$26,455</u>	<u>\$21,171</u>	<u>\$17,374</u>	<u>\$ 702</u>	<u>\$ 647</u>	<u>\$ 1,124</u>	<u>\$ 67,473</u>

### 10. 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 \$10 (2019 - \$10). 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, 2020.

### 11. Trust assets under administration

The authority administers \$242 (2019 - \$204) of trust assets, consisting of cash held on behalf of patients, which are not included in the reported Authority's assets and liabilities.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 12. Government assets and services provided at no charge

During the year, the Authority received without charge from the Government, services including building utilities, repairs and maintenance, payroll processing, insurance and risk management, legal counsel, construction management, records storage, computer operations, asset disposal, project management and translation services. The Government provides the services either directly or through its agencies or public private partnership arrangements. 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 \$18,079 (2019 - \$9,896) based on the calculated depreciation expense by the Government and have been recognized as rent expense with a corresponding grant-in-kind in the Statement of Operations and Accumulated Deficit.

Also, the Government provides without charge certain operating costs of the Stanton Territorial Hospital Renewal project. These would have cost the Authority an estimated \$6,900 (2019 - \$nil) based on the service payments made by the Government under the public private partnership (P3) agreement and have been recognized as contracted services expense with a corresponding grant-in-kind in the Statement of Operations and Accumulated Deficit.

### 13. 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 (2019 – 1.01) the employees' contributions for employees who started prior to January 2013 and 1.0 times (2019 – 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 \$10,891 (2019 – \$9,966) to PSPP and \$2,135 (2019 – \$2,290) to the Physician's fund. The employee's contributions were \$10,748 (2019 – \$9,977) and \$1,006 (2019 – \$1,069) respectively.

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 14. Related parties

Related party transactions not disclosed elsewhere are as follows:

Due from related parties	Accounts Receivable	Allow. For Doubtful Accounts	Net 2020	Net 2019
Hay River Health and Social Services Authority	\$ 29	\$ -	\$ 29	\$ 115
Tlicho Community Services Agency	745	(12)	733	97
Northwest Territories Housing Corporation	4	-	4	1
Northwest Territories Power Corporation	1	-	1	-
Stanton Territorial Hospital Foundation	-	-	-	23
Fort Good Hope Housing Authority	-	-	-	3
Yellowknife Education District #1	26	(26)	-	-
	<b>\$ 805</b>	<b>\$ (38)</b>	<b>\$ 767</b>	<b>\$ 239</b>

Due to related parties:	2020	2019
Aurora College	\$ 175	\$ 214
Tlicho Community Services Agency	119	39
Northwest Territories Housing Corporation	26	164
Hay River Health and Social Services Authority	42	2
Fuel Services Division	11	-
Northwest Territories Power Corporation	6	4
GNWT - Infrastructure	-	2
Marine Transportation Services (MTS) Revolving Fund	1	-
NWT Business Development and Investment Corporation	-	1
Beaufort Delta Divisional Education Council	-	1
	<b>\$ 380</b>	<b>\$ 427</b>

Revenues from related parties:	2020	2019
Tlicho Community Services Agency	\$ 809	\$ 855
Hay River Health and Social Services Authority	187	389
NWT Power Corporation	105	76
GNWT - Education, Culture and Employment	83	109
Yellowknife Education District #1	26	-
Yellowknife Public Denominational District Education Authority (Yellowknife Catholic School Board)	5	-
GNWT - Municipal and Community Affairs	3	-
Stanton Territorial Hospital Foundation	-	142
	<b>\$ 1,218</b>	<b>\$ 1,571</b>

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 14. Related parties (continued)

<b>Expenses paid to related parties:</b>	<b>2020</b>	<b>2019</b>
Government of the Northwest Territories	\$ 317	\$ 42
Tlicho Community Services Agency	369	651
Hay River Health and Social Services Authority	175	135
Northwest Territories Housing Corporation & local housing authorities	105	166
Northwest Territories Power Corporation	34	72
Fuel Services Division	20	-
Marine Transportation Services (MTS) Revolving Fund	2	-
NWT Business Development and Investment Corporation	2	3
Stanton Territorial Hospital Foundation	1	50
Aurora College	-	269
Yellowknife Public Denominational District Education Authority (Yellowknife Catholic School Board)	-	86
Dehcho Division Education Council	-	5
Beaufort Delta Divisional Education Council	-	2
	<b>\$ 1,025</b>	<b>\$ 1,481</b>

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### 15. Expenses by object

	<b>2020</b>	<b>2019</b>
Compensation	\$ 211,128	\$ 191,669
Contracted out services	84,343	75,924
Medical travel and other travel	29,167	27,529
Contributions	18,881	18,292
Rent (note 12)	18,079	9,896
Supplies	18,068	14,565
Compensation - locums	17,121	15,441
Administration	12,087	9,026
Program expenses	5,419	4,746
Equipment expense	2,599	2,561
Valuation allowances	1,648	743
<b>Total expenses</b>	<b>\$ 418,540</b>	<b>\$ 370,392</b>

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 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, and accounts receivable.

The Authority holds its cash with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Authority's cash is 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 4.

The Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$73,448 (2019 - \$43,382).

#### 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 not have concentration of credit risk. At March 31, 2020, receivables from the Government comprised 82% of the total outstanding accounts receivables (2019 - 74%). 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 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, 2020 mature within the next six months.

Total financial assets are \$73,448 (2019 - \$43,382) and financial liabilities are \$204,308 (2019 - \$148,505). The Authority has disclosed future financial liabilities and contractual obligations in Note 9. 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.

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 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
<b>Revenue</b>			
Recoveries from other sources	\$ 12,379	\$ 17,400	\$ (5,021)
Recoveries from Nunavut	3,000	3,000	-
Interest income	400	400	-
Other income	508	508	-
<b>Total Revenue</b>	<b>16,287</b>	<b>21,308</b>	<b>(5,021)</b>
<b>Expenses</b>			
Undistributed	-	559	(559)
Community social programs	83,355	37,639	45,716
Ambulatory care services	65,028	121,966	(56,938)
Administration and support services	52,665	61,812	(9,147)
Supplementary health programs	49,603	41,861	7,742
Nursing inpatient services	41,372	40,726	646
Diagnostic and therapeutic services	29,700	29,675	25
Community health programs	41,711	29,196	12,515
<b>Total Expenses</b>	<b>363,434</b>	<b>363,434</b>	<b>-</b>
<b>Government contributions</b>			
Contributions from Government of the Northwest Territories - core	289,723	289,723	-
Contributions from Government of the Northwest Territories - other	5,021	-	5,021
Recoveries from Government of the Northwest Territories	22,506	22,506	-
Recoveries - non insured health services	14,737	14,737	-
Recoveries of prior year expenses	(2,661)	(2,661)	-
<b>Total Government contributions</b>	<b>329,326</b>	<b>324,305</b>	<b>5,021</b>
<b>Annual deficit</b>	<b>\$ (17,821)</b>	<b>\$ (17,821)</b>	<b>\$ -</b>

# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

March 31, 2020

### 17. Budget (continued)

The Authority's budget is approved at the start of the fiscal year. Adjustments to the budget relating to government funding are approved throughout the fiscal year through Notice of Target Adjustments (NOTA). The changes for the 2019-2020 fiscal year are as follows:

	Original Budget	Increase (Decrease)	Revised Budget	Actual Amount*	Over (Under) Budget
<b>Revenue</b>					
Recoveries from other sources	\$ 12,379	\$ -	\$ 12,379	\$ 12,663	\$ 284
Recoveries from Nunavut	3,000	-	3,000	2,167	(833)
Contributions from other sources	-	-	-	919	919
Interest income	400	-	400	518	118
Other income	508	-	508	843	335
<b>Total Revenue</b>	<b>16,287</b>	<b>-</b>	<b>16,287</b>	<b>17,110</b>	<b>823</b>
<b>Expenses</b>					
Community social programs	83,355	(923)	82,432	90,520	8,088
Ambulatory care services	65,028	551	65,579	69,628	4,049
Administration and support services	52,665	1,407	54,072	61,138	7,066
Nursing inpatient services	41,372	869	42,241	43,862	1,621
Supplementary health programs	49,603	1,620	51,223	52,664	1,441
Community health programs	41,711	2,524	44,235	43,378	(857)
Diagnostic and therapeutic services	29,700	1,220	30,920	32,371	1,451
<b>Total Expenses</b>	<b>363,434</b>	<b>7,268</b>	<b>370,702</b>	<b>393,561</b>	<b>22,859</b>
<b>Government contributions</b>					
Contributions from Government of the Northwest Territories - core	289,723	7,268	296,991	298,257	1,266
Contributions from Government of the Northwest Territories - other	5,021	-	5,021	6,585	1,564
Recoveries from Government of the Northwest Territories	22,506	-	22,506	27,739	5,233
Recoveries - Non-insured health services	14,737	-	14,737	16,556	1,819
Recoveries of prior year expenses	(2,661)	-	(2,661)	1,185	3,846
<b>Total Government contributions</b>	<b>329,326</b>	<b>7,268</b>	<b>336,594</b>	<b>350,322</b>	<b>13,728</b>
<b>Annual deficit</b>	<b>\$ (17,821)</b>	<b>\$ -</b>	<b>\$ (17,821)</b>	<b>\$ (26,129)</b>	<b>\$ (8,308)</b>

\* The actual amounts used in this analysis differs from the Statement of Operations and Accumulated Deficit. The impact of the Grant-in-kind - Government assets and services provided at no charge is not included in this analysis because the Authority does not budget for Grant-in-kind.

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# Northwest Territories Health and Social Services Authority

## Notes to the Financial Statements

(All figures in thousands of dollars)

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March 31, 2020

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### 18. Comparative figures

The financial statements have been reclassified where applicable to conform to the presentation used in the current year. During the year, the Authority completed its transition to one central accounting system during which review and update to the chart of accounts was undertaken; as a result, programs that are similar in nature were consolidated into the same functional areas.

### 19. Impact of COVID-19 pandemic response

On March 22, 2020, the Government of the Northwest Territories declared a public health emergency in response to the coronavirus disease 2019 ("COVID-19") pandemic.

The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the severity and length of COVID-19 will have on the financial results and condition of the Authority in future periods. There is no material impact to the amounts recognized within the 2020 financial statements as a result of COVID-19.

Pursuant to an April 14, 2020 federal funding announcement, the Government of Canada will provide to the Government of the Northwest Territories funding for emergency response to COVID-19, to a maximum of \$23.4 million for health and social services preparations and response and \$8.7 million for air services. It is expected that some of this funding will subsequently flow to the Authority; however, the timing and amounts cannot be determined at this time.