

Public Accounts 2018-2019

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, 2019

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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Dettah District Education Authority
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Yellowknife Public Denominational District Education Authority (Yellowknife Catholic Schools)
Yellowknife District No. 1 Education Authority
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BEAUFORT-DELTA EDUCATION COUNCIL
INUVIK, NT

CONSOLIDATED ANNUAL FINANCIAL REPORT
June 30, 2018

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Message from Superintendent of Schools Chris Gilmour

On behalf of the Beaufort Delta Education Council (BDEC), I am pleased to present the Annual Report for 2017 - 2018. 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.

BDEC's goals are clearly defined as:

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

This approach will enable BDEC to clearly state the progress that the organization has made and will highlight areas where improvement is needed. Some of the key accomplishments in 2017 - 2018 include:

- Continued partnership with the Gwich'in Tribal Council (GTC) on development of a high school course to reflect the Gwich'in culture and history.
- Partnership with the Inuvialuit Regional Corporation (IRC). The IRC continues to support to BDEC's Data Analyst position and Inclusive schooling with Educational Psychologist visits.
- The expansion of the eLearning program renamed Northern Distance Learning (NDL) for the year ended 2018 allowed for expanding the initiative to 11 schools. The results of the 4 year pilot project encouraged ECE to submit a proposal to FMB expanding Northern Distance Learning to all small communities between 2018 to 2020. This proposal was accepted by the FMB and submitted to the Minister for presentation to the Legislative Assembly.
- BDEC continues to collaborate with IRC's initiative to hire candidates referred to as "Student and Family Support Workers" who are working in the communities of Inuvik, Aklavik, Tuktoyaktuk, Ulukhaktok, Paulatuk and Sachs Harbour. The Student and Family Support Workers will work with students (with parental approval) to improve student success by addressing attendance concerns and other matters.
- Governance Training was provided January 2018 for DEA members in Aklavik, Tsiigehtchic and Inuvik. The same training took place in Inuvik in April 2018 for DEA members from Paulatuk, Sachs Harbour, Ulukhaktok and Tuktoyaktuk.
- For the year ended June 2018 ECE has requested that all school council submit an Annual Report using a common template. In this report the Priorities identified in the common Operating Plan template are reported upon in the Achieved results.
- Priorities categories are Language, Culture and Identity; Health, Wellness and Student Support; Teaching and Learning. Each category has a series of specific task and achieved results. Please refer to the Annual Report as submitted for the 2017 – 2018 year.
- BDEC 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 and can enroll in school at East Three Secondary School in Inuvik or Chief Julius in Fort McPherson

- Moving forward to the 2018 – 2019 year BDEC 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 will be provided directly to the School's operating budget.
- Staff changes include the appointment of Frank Galway as the Superintendent of Schools.

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

Overview

The Beaufort Delta Education Council (BDEC) effective the 2017 – 2018 year provides Junior Kindergarten to Grade 12 instruction for 1,392 students through 9 schools in the in 8 communities of Inuvik, Aklavik, Fort McPherson, Tsiigehtchic, Tuktoyaktuk, Sachs Harbour, Ulukhaktok, and Paulatuk. 2017 – 2018 completes BDEC's first year of offering Junior Kindergarten for all 4-year old children in our region as directed by the GNWT which as set by the 18th Legislative Assembly.

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 Inuvik for full time attendance of high school. The program encourages students to become role models for other students in their communities. The Access to Education program accomplishes this by ensuring that the students have regular visits with their families, regular trips home, and provides assistance for the family to attend the graduation of their children from the Inuvik High School.

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

Vision

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

Mission Statement

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

Strategic Plan

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

BDEC's strategic plan consists of Three Pillars:

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

Goals

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

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

Goals

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

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

Goals

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

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

BDEC Board of Directors

The BDEC Board of Directors are appointed by the DEA's from the local communities. Both Gwich'in Tribal Council and the Inuvialuit Regional Corporation have the authority to appoint one position (each) on the BDEC Board. DEA positions are elected in the local communities and serve for a three year term. The BDEC Board had one face-to-face meeting, and two video conference meetings during the 2017 – 2018 year.

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

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

BDEC Staff

Superintendent of Schools	Chris Gilmour (Resigned)
Supervisor of Schools	Frank Galway
Senior Consultant Manager (ABLC)	Denise McDonald
Comptroller	Gary McBride
Public Affairs Coordinator	Lisa Steen
LAN Manager	Michael Reardon
Technical Officer	Dylan Blais
Finance Officers	Ken Crocker
	Kurt Scheiwiller
Administrative Assistant	Claudine Blake

Consultants

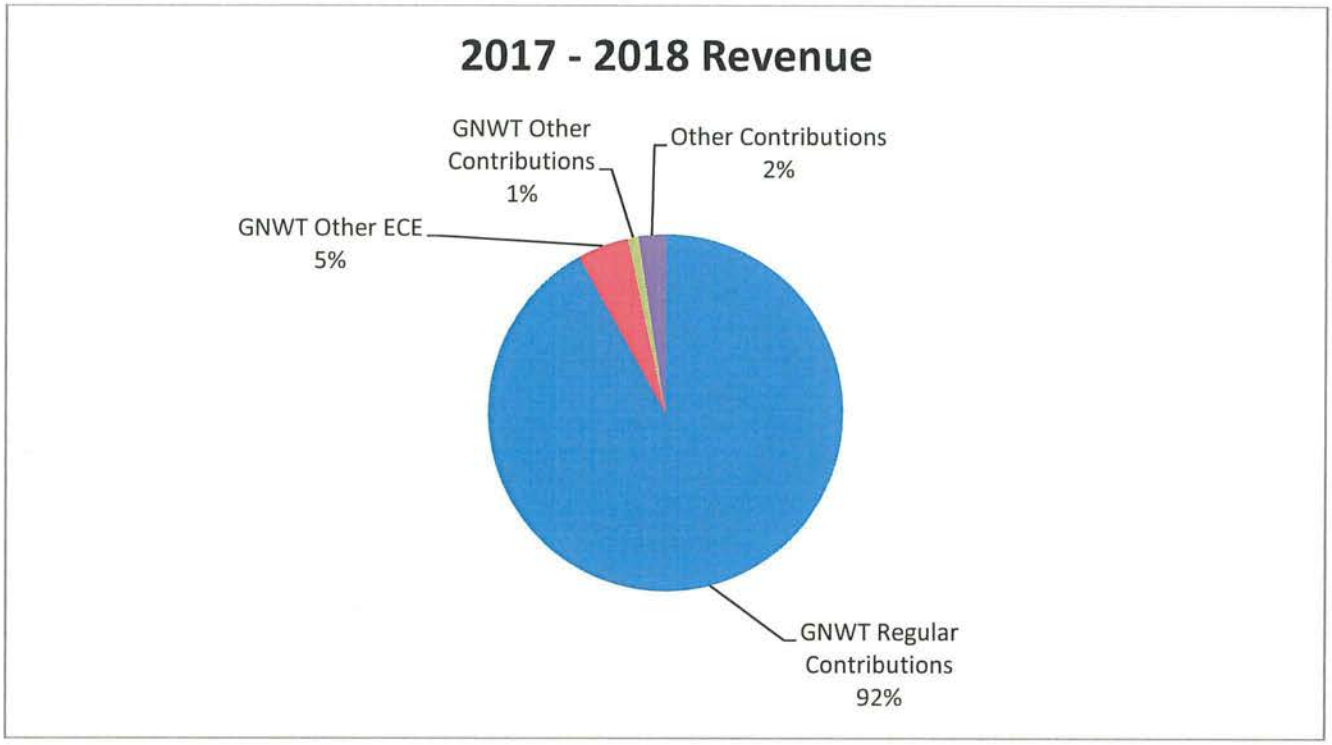
Data Analysis	Tara Gilmour
eLearning (Northern Distance Learning)	William Logan
Inclusive Schooling	Theresa Hartley
Literacy Coordinator k-12	Julie Donahue/Heather Olmstead (Short Term)
Math Science	Adam Wright
PowerSchool	Lorna Jones-Martin

Principals

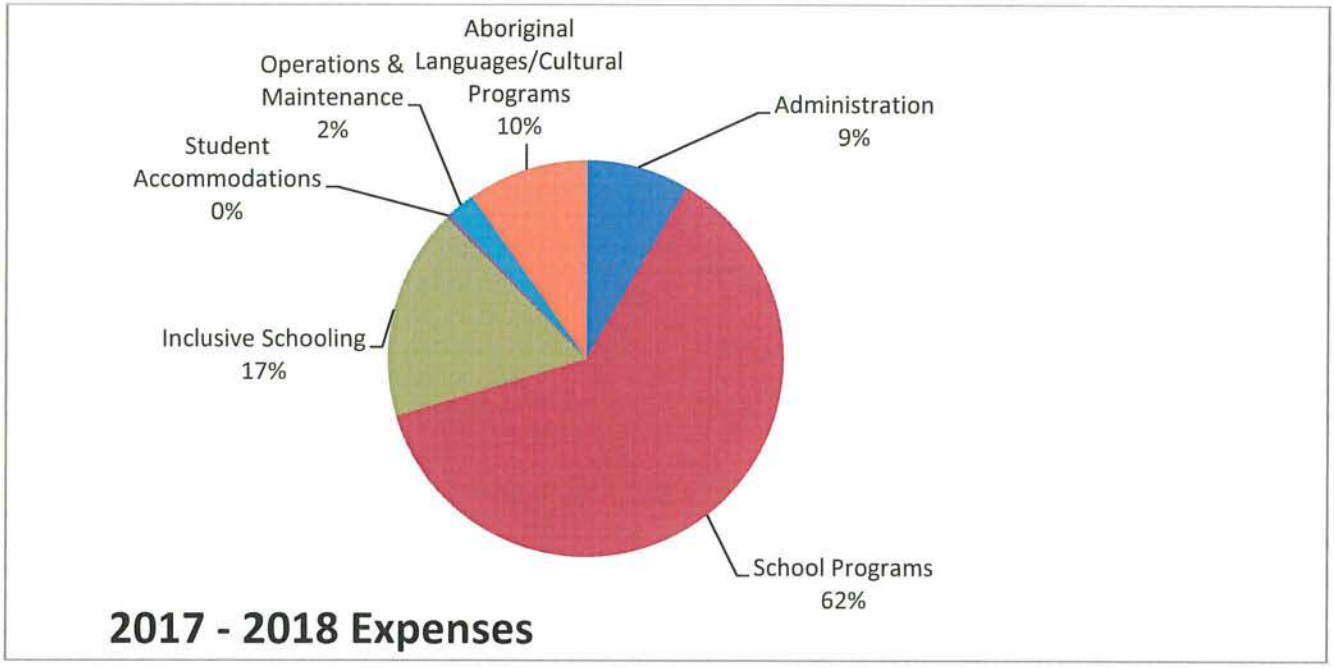
Angik – Paulatuk	Jeffrey Planetta/William Callahan
Chief Julius – Fort McPherson	Shirley Peterson
Chief Paul Nitidchie – Tsiighetchic	Sonia Gregory
Helen Kalvak – Uluhaktok	Richard McKinnon
Inualthuyak – Sachs Harbour	Karen Bibby/Wayne Dawe
Mangilaluk – Tuktoyaktuk	Krista Cudmore
Moose Ker School – Aklavik	Velma Illisiak
East Three Elementary – Inuvik	Elizabeth McNeil
East Three Secondary – Inuvik	Gene Jenks

Financial Highlights

Revenues for 2017 – 2018 of $31.6 million were $1.2 million higher than budgeted. GNWT regular contributions accounted for a 92% of the revenue at $29.0 million an increase of $0.5 million from 2016 - 2017 year. Other contribution agreements from the GNWT brought the total GNWT contributions to $30.8 million; which is an increase of $833.8 K from the 2016 – 2017 year. Total revenues of $31.6 million were an increase of $709.2 K from the 2016-2017 year.



Expenses are broken into program cost; school programs accounted for 62% of cost at $20.3 million, Inclusive schooling for 17% of cost at $5.6 million. Total expenses at $32.8 million were $2.2 million greater than 2016 - 2017, and $1.4 million greater than the 2017-2018 Budget.

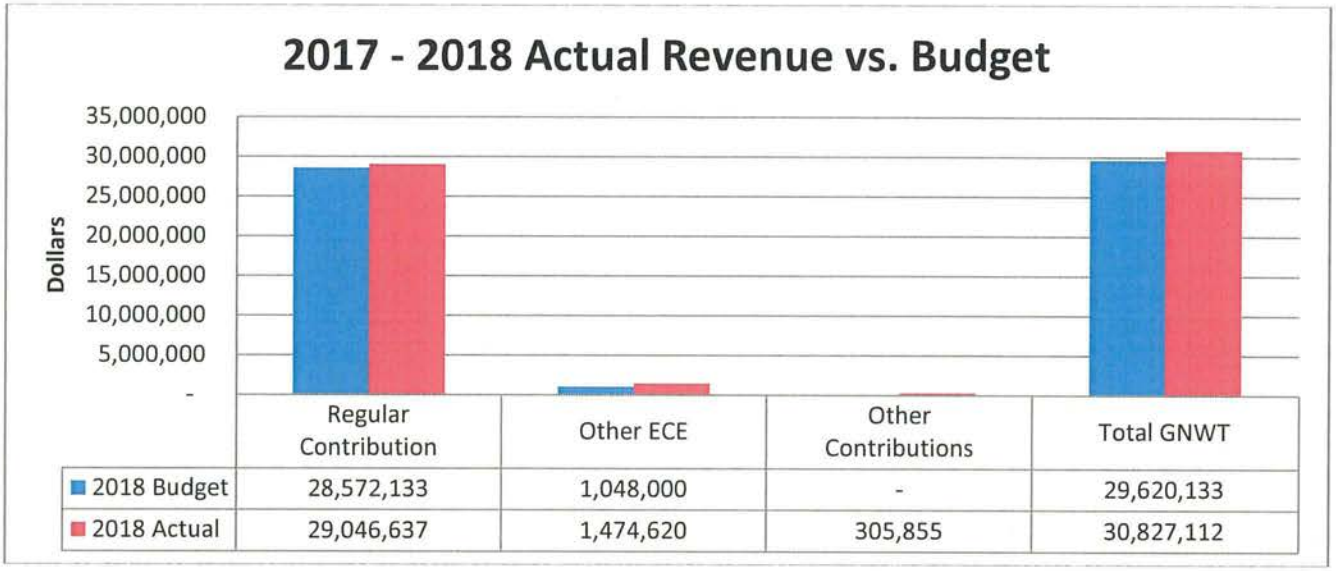


2017 – 2018 Revenues

For 2017 - 2018 BDEC Consolidated Statement of Operations had an Operating Deficit of $1,164,338 compared to a budgeted deficit of $980,539.

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

Chart 1 displays our 2017 – 2018 Actual Revenues compared to the budgeted revenue.



	Regular Contribution	Other ECE	Other Contributions	Total GNWT
2018 Budget	28,572,133	1,048,000	-	29,620,133
2018 Actual	29,046,637	1,474,620	305,855	30,827,112

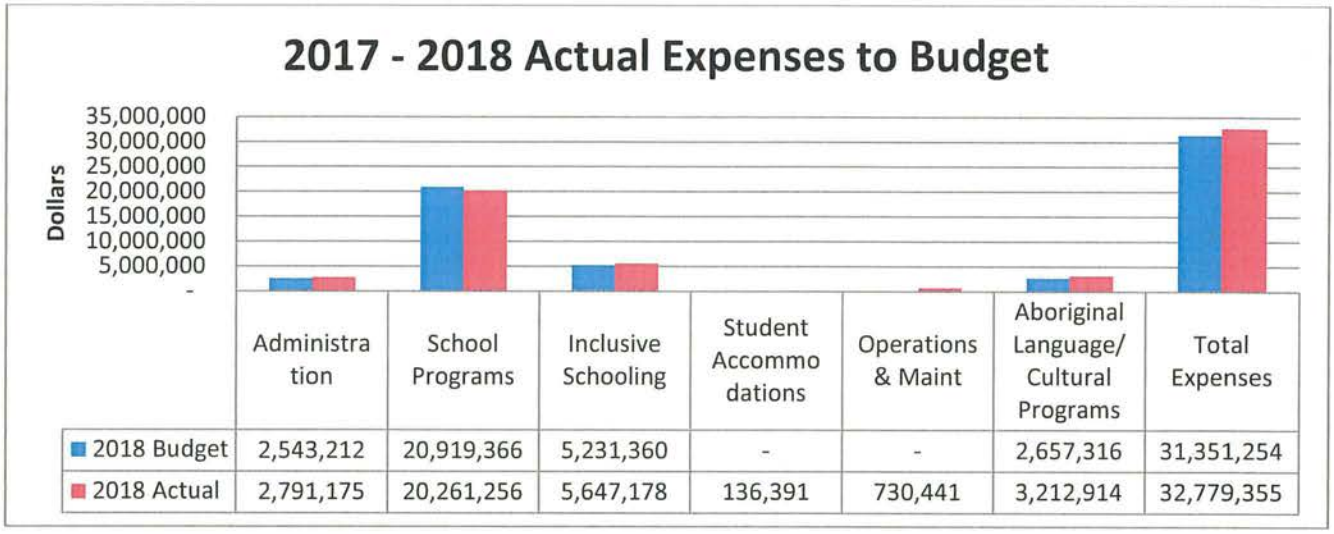
2017 – 2018 Expenses

Expenses for the year-end June 2018 were $1.4 million more than the budget of $31.4 million for a total cost of $32.8 million. This represents a $2.2 million increase in expenditures from 2016 -2017, or a 7.2% increase in spending from previous year.

Inclusive schooling had expenses of $5.6 million representing an increase in spending from the 2016 - 2017 year of $797K. Staff development continued to be the focus for Inclusive Schooling for the 2017 – 2018 year.

Aboriginal Languages/Cultural Programs had expenses of $3.2 million; which represents an increase of expenditures of $212 K from the 2016 – 2017 year.

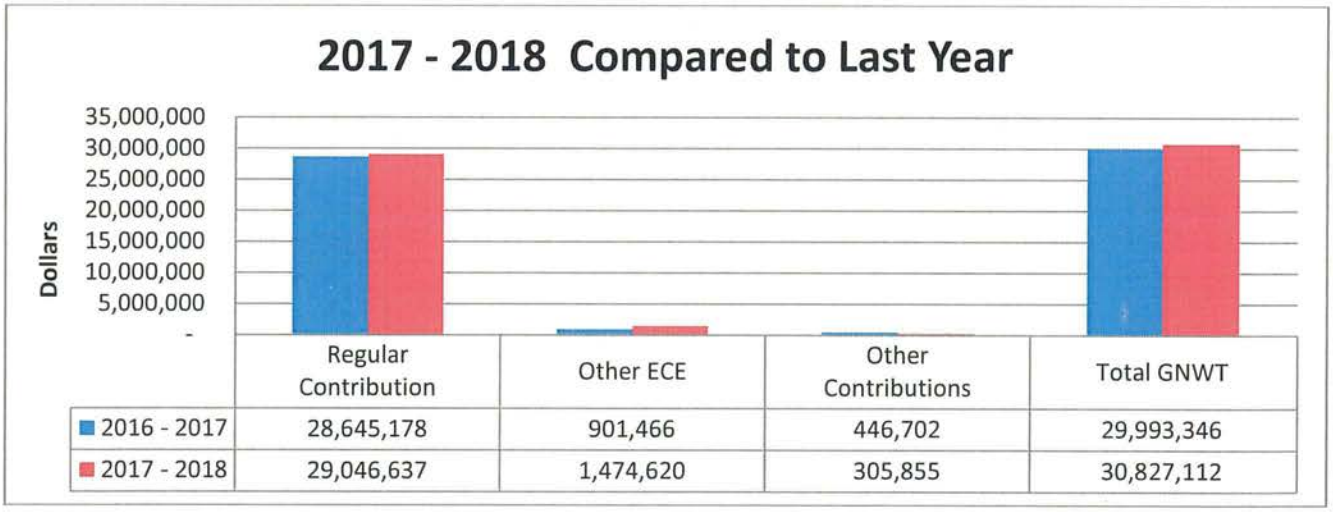
Chart 2 is a program comparison of our expenses for 2017-2018 compared to the budgeted expenses.



	Administration	School Programs	Inclusive Schooling	Student Accommodations	Operations & Maint	Aboriginal Language/ Cultural Programs	Total Expenses
2018 Budget	2,543,212	20,919,366	5,231,360	-	-	2,657,316	31,351,254
2018 Actual	2,791,175	20,261,256	5,647,178	136,391	730,441	3,212,914	32,779,355

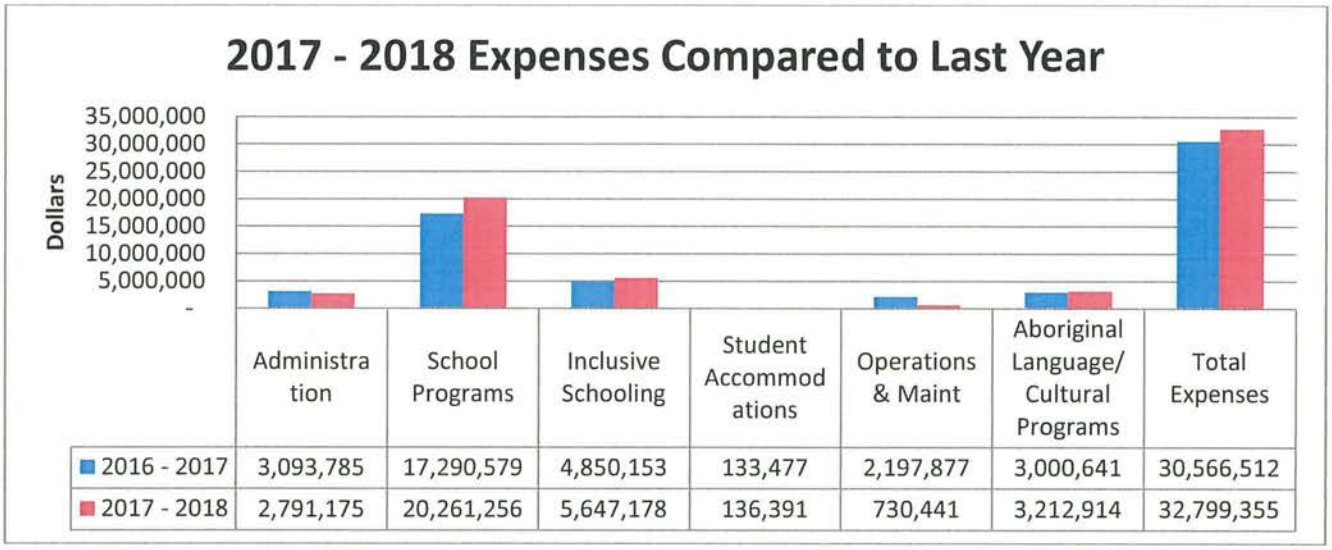
When comparing 2018 against 2017, BDEC experienced a 2.3% increase in revenues, and an increase in expenses of 7.2% resulting in an operating deficit of $1,164,338 compared to the operating surplus for 2017 of $339,344.

Chart 3 is a comparison of the Year-end 2018 GNWT Revenues compared to the 2017 Revenues



	Regular Contribution	Other ECE	Other Contributions	Total GNWT
2016 - 2017	28,645,178	901,466	446,702	29,993,346
2017 - 2018	29,046,637	1,474,620	305,855	30,827,112

Chart 4 compares the 2017 Program Expenses against to the 2016 Program Expenses.



	Administration	School Programs	Inclusive Schooling	Student Accommodations	Operations & Maint	Aboriginal Language/ Cultural Programs	Total Expenses
2016 - 2017	3,093,785	17,290,579	4,850,153	133,477	2,197,877	3,000,641	30,566,512
2017 - 2018	2,791,175	20,261,256	5,647,178	136,391	730,441	3,212,914	32,799,355

The plan for the 2017 – 2018 year was to reduce the Accumulated Surplus in stages to reach the recommended level of Accumulated Surplus. 2017 – 2018 represents the first year of the planned reduction of the Accumulated Surplus. The focus was on providing better coaching, training and additional staff to best meet the needs of the students. The Operating Deficit of $1,164,388 reduced the Accumulated Surplus from $3,606,734 to $2,442,412

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

Student and Teacher population for each school

Community	School	2018 Students	2018 Teachers	2017 Students	2017 Teachers
Aklavik	Moose Kerr	115.00	12.00	119.50	12.00
Fort McPherson	Chief Julius	143.25	14.00	145.25	12.00
Inuvik	East 3 Elem	424.50	31.25	393.50	21.00
Inuvik	East 3 Second	267.50	23.50	269.25	19.00
Invuik DEA	Subtotal	691.00	54.75	662.75	40.00
Paulatuk	Angik	50.75	7.00	50.75	5.50
Sachs Harbour	Inualthuyak	16.00	1.50	14.00	1.25
Tsiigehtchic	Chief Paul Niditchie	41.50	4.50	42.00	3.65
Tuktoyaktuk	Mangilaluk	217.50	19.00	216.00	16.00
Ulukhaktok	Helen Kalvak	117.50	11.00	111.25	6.80
Total		1393.50	123.75	1361.50	97.20

Operating Environment

BDEC 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
- 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 has become 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, 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 BDEC, 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

The Mary Bryant Award for Improvement in English (Award)

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

Background

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

Concept

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

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

The Award Recipient

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

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

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

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

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

Shalayah Raymond a Grade 10 student from East Three Secondary was awarded the Mary Bryant Award for the 2017 – 2018 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 BDEC was able to describe for Mrs. Stallworthy an initiative the Board would be taking over the next few years to ease the transition for 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; Mr. Carpenter is a indigenous resident from the jurisdiction of the Board who has completed higher education including a medical degree and thus provides a positive role model for students of the Board.

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

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

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

No funds were awarded in the 2017 – 2018 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.

No funds were awarded in the 2017 – 2018 year.

2017 - 2018 Long Term Service Awards

The Beaufort Delta Education Council believes that our successes come from the dedication of staff in each of our communities. Even with the challenge of high staff turn-over each year, there continues to be a group of dedicated long-term staff working for BDEC. In recognition of their dedication each year BDEC recognizes the contribution of our long term staff with long term service awards. For the 2017 – 2018 year the following individual were recognized by the management team.

Community	Name	Service Years
Aklavik	Effie Paul	15
	Olive Verna Pascal	20
Inuvik	Julie E Donohue	5
	Theresa M Hartley	5
	Denise N Lipscombe	5
	Abraham D Drennan	5
	Bartlomiej Kalata	5
	Jullian D Nugent	5
	Colin M Pybus	5
	Megan C McCaffery	5
	Dan Heilbrunn	5
	Sarah Danielle Jellema	10
	Andrea Adams	10
	Thomas Adams	10
	Janna M Wolki	10
	Carly Turner	15
	Steven Mungialuk Junior	20
	Margaret Esther Gordon	25
	Phillip Ross McCallum	35
Paulatuk	Kelly J Marsh	5
Sachs Harbour	Jean Harry	5
Tsiigehtchic	Cliff C Gregory	10
	Sonia Gregory	10
Tuktoyaktuk	Krista T Cudmore	5
	Meghan P Wilson	5

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.

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

BDEC 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 graduate. These individuals have become role models for our students as to what they can accomplish, and that they can bring their education back to their community to help others.

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

Looking forward, there is a concern about the potential for reduced funding. BDEC is well positioned financially and looking forward to 2018 – 2019 year and has identified areas where additional staffing will result in better services to our students, so reallocation of staff and increased staffing planned starting in the 2017 – 2018 year will continue into the 2018 – 2019 year. Our staff continues to look for opportunities to deliver education in an effective and efficient manner. The opportunities are forming education partnerships, eLearning, and new approaches to education. Staff continue to develop skill sets through attendance at conferences, and a number of staff continue to upgrade their skill set to become better at their positions. With this dedication, even with the possibility of reduced funding we believe the future is bright for the students of the Beaufort Delta.

BEAUFORT DELTA EDUCATION COUNCIL
Aklavik, Ft. McPherson, Inuvik, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk, Ulukhaktok

MANAGEMENT'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 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, 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

Gary McBride
Comptroller

August 4, 2018

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INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Beaufort-Delta Education Council which comprise the Consolidated Statement of Financial Position as at June 30, 2018 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.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

Salaries and related benefits paid to employees of the Beaufort-Delta Education Council are administered by the Government of the Northwest Territories and are audited as part of the Government of the Northwest Territories audit. Our audit scope was limited as we did not audit the components of compensation and benefits expenditures and related balances. Accordingly we are not able to determine whether any adjustments might be necessary to compensation and benefits 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.

INDEPENDENT AUDITORS' REPORT - cont'd.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Beaufort-Delta Education Council as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

We further report, in accordance with the 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.

Other Matter

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

Avery Cooper & Co. Ltd.

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

August 3, 2018

BEAUFORT-DELTA EDUCATION COUNCIL

Statement I

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 4)	$ 9,337,506	$ 10,251,742
Restricted Assets (Note 6)	282,334	258,884
Accounts Receivable (Note 8)	376,801	295,039
	9,996,641	10,805,665
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 10)	960,634	637,987
Payroll Liabilities (Note 10)	3,099,472	2,702,006
Contribution Repayable (Note 12)	-	5,282
Employee Deductions Payable	2,586	716
Deferred Revenue (Note 11)	133,888	192,320
Post-Employment Benefits (Note 17)	3,083,496	3,422,599
Trust Liabilities (Note 6)	282,334	258,884
	7,562,410	7,219,794
NET FINANCIAL ASSETS (Statement III)	2,434,231	3,585,871
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	8,181	20,863
	8,181	20,863
ACCUMULATED SURPLUS	$ 2,442,412	$ 3,606,734

Approved:

Frank Galway _____ Superintendent

_____ Council Member

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement II

CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Government of the NWT			
Regular contributions	$ 28,572,133	$ 29,046,637	$ 28,645,178
Other ECE contributions (Note 31)	1,048,000	1,474,620	901,466
Other contributions (Note 32)	-	305,855	446,702
Total Government of the NWT	29,620,133	30,827,112	29,993,346
Government of Canada	-	41,787	34,009
Board Generated Funds			
Investment Income	60,000	129,169	72,560
Rentals	-	6,308	6,472
Other	690,582	610,641	799,469
Total Board Generated Funds	750,582	746,118	878,501
TOTAL REVENUE	30,370,715	31,615,017	30,905,856
EXPENSES (Schedule 1)			
Aboriginal Languages/Cultural Programs	2,657,316	3,212,914	3,000,641
Administration	2,543,212	2,791,175	3,093,785
Inclusive Schooling	5,231,360	5,647,178	4,850,153
School Programs	20,919,366	20,261,256	17,290,579
Student Accommodations	-	136,391	133,477
Operations & Maintenance	-	730,441	2,197,877
TOTAL EXPENSES	31,351,254	32,779,355	30,566,512
OPERATING DEFICIT	$ (980,539)	$ (1,164,338)	$ 339,344

Approved:

Frank Galway _____ Superintendent

_____ Council Member

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement III

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
OPERATING DEFICIT	$ (980,539)	$ (1,164,338)	$ 339,344
Purchase of Prepaid Expenses	-	(8,181)	(20,863)
Use of Prepaid Expenses	-	20,863	9,241
	-	12,682	(11,622)
DECREASE IN NET FINANCIAL ASSETS	(980,539)	(1,151,656)	327,722
NET FINANCIAL ASSETS, BEGINNING OF YEAR	3,585,877	3,585,877	3,258,155
NET FINANCIAL ASSETS, END OF YEAR	$ 2,605,338	$ 2,434,221	$ 3,585,877

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement IV

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2018

Cash provided by (used in):	2018	2017
OPERATING TRANSACTIONS		
Operating surplus (deficit)	$ (1,164,338)	$ 339,344
Items not affecting cash:		
Changes in valuation allowances	16	-
Changes in non-cash assets and liabilities:		
Decrease (increase) in accounts receivable	(81,762)	(15,128)
Increase (decrease) in accounts payable	322,647	(149,929)
Increase (decrease) in payroll liabilities	397,466	18,181
Increase (decrease) in contributions repayable	(5,282)	(32,982)
Increase (decrease) in employee deductions payable	1,870	(821)
Increase (decrease) in deferred revenue	(58,432)	(118,387)
Increase (decrease) in post-employment benefits	(339,103)	1,215,275
Decrease (increase) in prepaid expenses	12,682	(11,622)
Cash provided by operating transactions	(914,236)	1,243,931
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(914,236)	1,243,931
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,251,742	9,007,811
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 9,337,506	$ 10,251,742

See the accompanying notes and schedules.

NOTE 1 NATURE OF ORGANIZATION

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

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

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

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

(b) Cash and Cash Equivalents

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Financial Instruments

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

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

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

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

(d) Non-Financial Assets

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

(e) Tangible Capital Assets

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Revenue Recognition

Government Transfers:

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

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

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

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

GNWT - Regular contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Beaufort-Delta Education Council retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the GNWT.

Other contributions:

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

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.

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.

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.

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.

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 financail 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

(a) Restructuring transactions (PS 3430 - April 1, 2018)
(b) Financial Statement Presentation (PS 1201 - required when Sectins PS 2601 and PS 3450 are adopted)
(c) Foreign Currency Translation (PS 21601 - April 1, 2019)
(d) Portfolio Investments (PS 3041 - required when Sections PS 1201, PS 2601 and PS 3450 are adopted.
(e) Financial Instruments (PS 3450 - April 1, 2019)
(f) Student Activity / Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

NOTE 4 CASH AND CASH EQUIVALENTS

	2018	2017
Cash	$ 9,337,506	$ 10,251,742
	$ 9,337,506	$ 10,251,742

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.

		2018	2017
Comprised of:			
Short-term	- GIC 2.0% due June 24, 2019	$ 255,000	$ 250,000
	- Due from general cash	6,332	8,884
		$ 261,332	$ 258,884
Stallworthy / Carpenter Endowment Fund:			
Principal proceeds received		$ 216,515	$ 216,515
Interest earned to date		263,731	255,645
Expenses to date		(218,914)	(213,276)
		$ 261,332	$ 258,884

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 citzen through community, school involement, volunteerism and leadership.

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

NOTE 7 PORTFOLIO INVESTMENTS

(Not applicable)

NOTE 8 ACCOUNTS RECEIVABLE

	Accounts Receivable	Allowance	2018	2017
Government of the Northwest Territories:				
- Education, Culture and Employment	$ 292,699	$ -	$ 292,699	$ 57,100
Due from GNWT	292,699	-	292,699	57,100
Other Accounts receivable	268,686	184,584	84,102	237,939
	$ 561,385	$ 184,584	$ 376,801	$ 295,039

NOTE 9 INVENTORY

(Not applicable)

NOTE 10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Government of the Northwest Territories:		
Education, Culture and Employment	$ 4,900	$ -
Health and Social Services	-	880
Municipal and Community Affairs	24,813	10,562
Department of Finance	5,781	7,842
Environment and Natural Resources	-	2,810
Department of Justice	8,839	-
Department of Industry, Tourism and Investment	-	5,808
Government of the Northwest Territories	44,333	27,902
Related Parties	378,233	307,379
Accounts payable	75,124	81,157
Accrued payables	462,944	221,549
	960,634	637,987
Payroll Liabilities	3,099,472	2,702,006
	$ 4,060,106	$ 3,339,993

NOTE 11 DEFERRED REVENUE

	2018	2017
Education, Culture & Employment		
- E3E Playground	$ -	$ 1,022
- Healthy Food for Learning	-	22,269
- Elders in School	6,399	-
Library		
- School & Public Library Services - Ft. McPherson DEA	3,915	7,807
- Library - Ulukhaktok DEA	-	20,546
Healthy and Social Services		
- Drop the Pop	3,700	2,872
Government of the Northwest Territories	14,014	54,516
- Health Canada - Community Oral Health initiative	4,484	6,290
Government of Canada	4,484	6,290
Inuvik Community Corporation	-	23,989
Charities Aid Foundation - America	8,264	8,264
Hamlet of Paulatuk	4,000	-
Cross Country Canada Ski at School	100	-
Hamlet of Sachs Harbour	4,596	2,749
Inuvialuit Regional Corporation	53,647	32,960
Food First Foundation	7,493	9,756
Breakfast for Learning	9,436	5,605
E3E Breakfast	-	5,000
Tides - OTL - Collaborative Fund	26,866	40,000
NWT Parks & Rec Get Active NWT	988	3,191
	$ 133,888	$ 192,320

NOTE 12 CONTRIBUTION REPAYABLE

	2018	2017
Education, Culture & Employment		
- Library Services - Aklavik DEA	-	5,282
Government of the Northwest Territories	-	5,282
	-	5,282

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.

	Severance and Removal	Compensated Absences	2018	2017
Changes in Obligation:				
Accrued benefit obligations beginning of year	$ 1,748,093	$ 338,079	$ 2,086,172	$ 2,107,902
Current period benefit cost	121,962	28,432	150,394	136,755
Interest accrued	55,522	10,828	66,350	63,619
Benefit payments	(304,445)	(136,455)	(440,900)	(489,426)
Actuarial (gains)/losses	(121,132)	49,561	(71,571)	267,322
Accrued benefit obligations end of year	1,500,000	290,445	1,790,445	2,086,172

Unamortized net actuarial gain	935,516	178,584	1,114,100	1,663,343
Net future obligation	2,435,516	469,029	2,904,545	3,749,515
Total employee future benefits and compensated absences	2,435,516	469,029	2,904,545	3,749,515
Benefits Expense:				
	-	-	-	-

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

	Severance and Removal	Compensated Absences	Total
2019	$ 226,246	$ 48,585	$ 274,831
2020	183,522	38,831	222,353
2021	189,952	38,365	228,317
2022	178,706	35,601	214,307
2023	160,820	30,364	191,184
Next 5 years	636,197	119,296	755,493
Thereafter	860,073	157,987	1,018,060
Total	$ 2,435,516	$ 469,029	$ 2,904,545

NOTE 18 TRUST ASSETS UNDER ADMINISTRATION

(Not applicable)

NOTE 19 TANGIBLE CAPITAL ASSETS

(Not applicable)

NOTE 20 PREPAID EXPENSES

	2018	2017
Alberta Assessment Consortium	-	1,100
Canada Revenue Agency	-	1,220
VISA charges	8,181	18,543
	8,181	20,863

NOTE 21 GNWT ASSETS PROVIDED AT NO COST

	Cost	Accumulated Amortization	2018 Net Book Value	2017 Net Book Value
East Three Secondary School Carpentry shop	$ 461,563	$ 461,563	$ -	$ -
East Three Secondary School Auto Shop	541,689	483,833	57,856	73,284
Moose Kerr School	8,123,452	5,334,511	2,788,941	3,048,378
Aklavik Portable Classrooms	62,052	62,052	-	-
Chief Julius School	10,064,072	4,705,871	5,358,201	5,516,962
Mangilaluk School	7,146,891	4,692,661	2,454,230	2,663,100
Inualthuyak School	2,298,578	1,406,826	891,752	1,023,863
Helen Kalvak School	8,864,887	6,851,330	2,013,557	2,311,861
Angik School	3,697,250	2,123,247	1,574,003	1,697,453
Chief Paul Nitdchie School	2,467,761	841,582	1,626,179	1,697,399
Moose Kerr Foundation Replacement	753,546	136,613	616,933	635,770
Tsiigehtchic Gym	1	-	1	1
Moose Kerr School - Ventilation	173,505	68,315	105,190	116,770
Angik School Retrofit	123,278	55,739	67,539	77,545
Helen Kalvak School Vent & DDC Retrofit	354,896	155,267	199,629	229,204
East Three New Inuvik School	106,182,229	15,501,975	90,680,254	93,340,800
Tsiigehtchic Gym Pilings	205,668	26,137	179,531	184,673
Aklavik Community Library	234,794	110,065	124,729	130,600
	$151,756,112	$ 43,017,587	$108,738,525	$112,747,663

NOTE 22 CONTRACTUAL OBLIGATIONS

The Council has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2018:

	Expires in Fiscal Year:	2019	2020-2022	Total
Commercial Leases	2020	$ 146,100	$ 219,150	$ 365,250
Equipment Leases	2022	178,159	325,581	503,740
Total		$ 324,259	$ 544,731	$ 868,990

Estimated lease payments are as follows:

2119	$ 324,259
2020	313,410
2021	186,859
2022	40,320
2023	4,142
	$ 868,990

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.

	2018	2017
Due to related parties		
Accounts payable:		
Contributions		
Government of the Northwest Territories:		
Department of Education, Culture & Employment	$ 4,900	$ -
Department of Health and Social Services	-	880
Department of Municipal & Community Affairs	24,813	10,562
Department of Finance	5,781	7,842
Department of Environment and Natural Resources.ergy	-	2,810
Department of Justice	8,839	-
Department of Industry, Tourism and Investment	-	5,808
Government of the Northwest Territories	44,333	27,902
Other Related Parties:		
Various BDEC Schools	378,233	307,379
Total Accounts Payable	422,566	335,281
Due to Related Parties	$ 422,566	$ 335,281

	Accounts Receivable	Allowance	Net 2018	2017
Due from related parties				
Accounts receivable:				
Government of the Northwest Territories:				
Department of Education, Culture & Employment	$ 292,699	$ -	$ 292,699	$ 57,100
Government of the Northwest Territories	292,699	-	292,699	57,100
Due from Related Parties	$ 292,699	$ -	$ 292,699	$ 57,100

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.

NOTE 28 EXPENSES BY OBJECT

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Compensation	$ 26,483,912	$ 27,463,023	$ 24,326,248
Other	4,867,342	5,316,332	6,240,264
	$ 31,351,254	$ 32,779,355	$ 30,566,512

NOTE 29 SUBSEQUENT EVENTS

(Not applicable)

NOTE 30 COMPARATIVE FIGURES

(Not applicable)

NOTE 31 ECE OTHER CONTRIBUTIONS

	2018	2017
French Program	$ 95,000	$ 90,000
eLearning	690,852	566,443
TLC - Gwichin	207,133	39,000
TLC - Inuvialuit	270,867	39,000
TLC	52,000	-
Sage & Caring schools	-	642
NWT Literacy Program (Aklavik)	-	19,000
Library (Aklavik)	48,432	36,869
Public Library Services (Ft McPherson)	34,987	35,157
Community Literacy Projects (Ft McPherson)	28,672	22,442
Literacy (Ulukhaktok)	12,131	18,000
Library (Ulukhaktok)	34,546	34,913
	$ 1,474,620	$ 901,466

NOTE 32 GNWT OTHER CONTRIBUTIONS

	2018	2017
HKS kitchen	-	19,800
Library operations	60,933	35,020
E3E Playground	1,022	22,794
Self Regulation & Action Research (ECE)	10,000	-
Ivvavik	10,000	15,155
Sports Leadership (MACA)	-	4,000
YELS (MACA)	-	17,829
RYS - Basketball (MACA)	4,650	2,866
RYS - Soccer (MACA)	3,482	1,500
NGDG Summit (MACA)	43,245	29,000
RYS - Volleyball (MACA)	500	4,532
GNWT - RYS Hockey (MACA)	324	4,000
Drop the Pop (H & SS)	19,309	23,217
Take a Kid Trapping (ITI)	-	1,000
Swimming (H&SS)	-	15,920
GNWT - Others	-	17,058
After School Physical Activity (MACA)	127,400	130,608
HKS Resiliency (YK Catholic School)	-	14,291
4 Pillars - MKS & CJS (YK Catholic School)	-	7,146
Take a Kid Trapping (ITI)	2,577	51,060
Talk a Kid Hunting (ITI)	-	297
Keepers (MACA)	20,743	21,609
NWT Literacy Council (Ft McPherson)	-	8,000
Misc revenue (Ulukhaktok)	1,670	-
	305,855	446,702

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, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Student Accommodations	Operations & Maintenance	Total
SALARIES:							
Teachers	$ 1,106,480	$ -	$ 1,292,293	$ 11,454,173	$ -	$ -	$ 13,852,946
Instruction Assistants	46,729	-	11,770	65,330	-	-	123,829
Non-instructional Staff	583,182	1,483,767	2,271,232	1,986,962	-	-	6,325,143
Board/Trustee Honoraria	93,411	87,391	-	16,532	-	-	197,334
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	534,582	373,927	1,378,886	4,413,670	-	158,324	6,859,389
Leave and Termination	-	-	-	104,383	-	-	104,383
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	51,102	80,006	-	-	-	131,108
Postage/Communication	796	40,402	-	104,081	2,040	-	147,319
Utilities & Leases	-	77	1,045	2,880	-	-	4,002
Travel	154,575	194,856	70,709	233,957	4,192	-	658,289
Student Travel	19,557	-	2,008	80,442	129,145	-	231,152
Advertising/Printing/Publishing	829	5,372	-	173	-	-	6,374
Maintenance/Repair	8,978	58,543	-	80,106	-	-	147,627
Rentals/Leases	10,125	20,827	32,040	130,805	-	157,859	351,656
Others	22,730	41,242	55,912	81,330	-	414,258	615,472
Contracted Services	322,184	25,670	94,536	153,200	-	-	595,590
MATERIALS/SUPPLIES/FREIGHT							
Materials	240,338	181,741	97,127	987,908	1,014	-	1,508,128
Furniture and Equipment	59,568	206,567	228,333	243,365	-	-	737,833
Freight	8,850	19,691	31,281	121,959	-	-	181,781
Total	$ 3,212,914	$ 2,791,175	$ 5,647,178	$ 20,261,256	$ 136,391	$ 730,441	$ 32,779,355

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 2

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
ABORIGINAL LANGUAGE AND CULTURAL-BASED EDUCATION EXPENSES
For the Year Ended June 30, 2018

FUNCTION	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
SALARIES					
ALCBE Teachers	$ 1,106,480	$ -	$ -	$ -	$ 1,106,480
Language Consultants	314,222	-	-	133,126	447,348
Instruction Assistants	-	-	-	46,729	46,729
Non Instructional Staff	-	-	-	135,834	135,834
Honoraria	-	-	-	93,411	93,411
EMPLOYEE BENEFITS					
Employee Benefits/Allowances	521,556	-	-	13,026	534,582
SERVICES PURCHASED/ CONTRACTED					
Travel	87,818	-	65,476	1,281	154,575
Student Transportation (bussing)	-	-	-	19,557	19,557
Advertising/Printing/Publishing	-	-	-	829	829
Maintenance/Repair	-	-	-	8,978	8,978
Rentals/Leases	-	-	-	10,125	10,125
Other Contracted Services	796	240,400	6,147	74,841	322,184
Others	-	32,905	-	(10,175)	22,730
MATERIAL/SUPPLIES/FREIGHT					
Materials	8,562	-	-	231,776	240,338
Furniture and Equipment	-	-	-	59,568	59,568
Freight	-	-	-	8,850	8,850
TOTAL	$ 2,039,434	$ 273,305	$ 71,623	$ 827,756	$ 3,212,118

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 3

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
ABORIGINAL LANGUAGES (CONTRIBUTIONS)

For the Year Ended June 30, 2018

Contibution Agreement Aboriginal Languages	Budget	July 1 to March 31	April 1 to June 30	Total
Revenue				
	478,000	478,000	-	478,000
Expenses				
East Three Elementary	38,310	12,932	32,517	45,449
East Three Secondary	26,731	-	21,363	21,363
Moose Kerr	13,033	-	-	-
Chief Julius plus $20K	36,479	8,651	10,178	18,829
Chief Paul Niditchie	10,000	7,682	7,265	14,947
Mangilaluk plus $20K	44,791	25,328	21,051	46,379
Inualthuyak	10,000	-	-	-
Helen Kalvak	12,656	-	12,460	12,460
Angik	10,000	-	3,128	3,128
TLC - Gwich'in	92,000	69,000	23,000	92,000
TLC - Inuvialuit	184,000	138,000	46,000	184,000
Total Expenses	478,000	261,593	176,962	438,555

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 4

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
INCLUSIVE SCHOOLING EXPENSES
For the Year Ended June 30, 2018

FUNCTION	General Inclusive Schooling	Staff Development	Assistive Technology	Student Resources	Total
SALARIES					
Program Support Teachers	$ 1,292,293	$ -	$ -	$ -	$ 1,292,293
Non-instructional	11,770	-	-	-	11,770
Consultants	133,126	-	-	-	133,126
Support Assistants	1,706,350	-	-	-	1,706,350
Non Instructional Staff	378,049	-	53,707	-	431,756
EMPLOYEE BENEFITS					
Employee Benefits/Allowances	1,378,886	-	-	-	1,378,886
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	80,006	-	-	-	80,006
Travel	61,639	9,070	-	-	70,709
Student Transportation (bussing)	2,008	-	-	-	2,008
Rentals/Leases	28,540	3,500	-	-	32,040
Other Contracted Services	94,536	-	-	-	94,536
Others	55,912	-	-	-	55,912
MATERIAL/SUPPLIES/FREIGHT					
Materials	40,694	-	-	56,433	97,127
Furniture and Equipment	228,333	-	-	-	228,333
Freight	31,281	-	-	-	31,281
TOTAL	$ 5,523,423	$ 12,570	$ 53,707	$ 56,433	$ 5,646,133

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 5

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
FRENCH LANGUAGE PROGRAM
For the Year Ended June 30, 2018

	ECE Contributions July 1 to June 30	Commitment from Beaufort Delta Education Council	Total Expenses July 1 to June 30
Bilateral Agreement Funding			
Special Projects:			
Teacher's Assistant Salary	$ 60,000	$ 14,689	$ 74,689
Core French 1:12 Salary	-	22,829	22,829
French Monitor - Travel	-	6,776	6,776
French Monitor - Housing	-	13,400	13,400
French Resources	5,000	4,335	9,335
Cultural Activities	5,000	(4,767)	233
Professional Development	5,000	(5,000)	-
Mentorship with YCS on Immersion Program	15,000	-	15,000
Total	$ 90,000	$ 52,262	$ 142,262

Regular GNWT Funding	
Immersion Program	$ 75,000
Mentorship YCS	$ 15,000
CMEC Odyssel Program	$ 24,043
GNWT - ECE - Food Allowance	950
Total	$ 114,993

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 6

NORTHERN DISTANCE LEARNING

For the Year Ended June 30, 2018

Contibution Agreement Northern Distance Learning (NDL)	Budget	July 1 to March 31	April 1 to June 30	Total
Revenue				
Government of the NWT	667,740	667,740	-	667,740
Other	-	85,000	10,000	95,000
	667,740	752,740	10,000	762,740
Expenses				
1 Teacher FTE	150,000	111,470	50,671	162,141
1 Teacher FTE - Moodle Dev	150,000	109,016	49,212	158,228
Support Person	125,000	113,221	8,600	121,821
Network	55,740	97,269	41,316	138,585
Distance Learning Coordinator	75,000	110,336	59,260	169,596
IT Support	75,000	45,511	20,679	66,190
Coordinator Transportation	12,000	16,294	8,576	24,870
Training/release Time/in-service	10,000	23,800	800	24,600
Bridging unit ("MCU")	15,000	-	27,409	27,409
Telephone	-	1,266	-	1,266
Student Travel	-	840	4,621	5,461
Classroom Materials	-	1,837	-	1,837
Other Supplies	-	1,303	605	1,908
Computer Equipment	-	1,199	123,876	125,075
Freight	-	313	6,880	7,193
Total Expenses	667,740	633,675	402,505	1,036,180
Net Surplus (Deficit)	-	119,065	(392,505)	(273,440)

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 7

REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
STUDENT SUCCESS INITIATIVE
For the Year Ended June 30, 2018

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

	2018
Revenue	61,682
Expenses:	
Travel	
Air Charter	105,096
Accommodation	43,589
Daily Per Diems	29,510
Workshop Expenses	
Miscellaneous	45,918
Total Expenses	224,113
Net Surplus (Deficit)	(162,431)

Schedule 8

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 36,772	$ 61,594
Due from Related Parties	4,654	4,527
Accounts Receivable	15,999	2,380
	57,425	68,501
LIABILITIES		
Accounts Payable and Accrued Liabilities	-	2
Payroll Liabilities	731	909
Contribution Repayable	-	5,282
Deferred Revenue	6,897	3,702
	7,628	9,895
ACCUMULATED SURPLUS	$ 49,797	$ 58,606

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 77,652	$ 74,077	$ 59,764
Other ECE contributions	50,000	48,432	55,869
Government of Canada	-	(80)	-
Other	10,000	8,810	21,671
TOTAL REVENUE	137,652	131,239	137,304
EXPENSES			
Aboriginal Languages/Cultural Programs	27,704	21,537	33,506
Administration	30,838	37,557	39,619
Inclusive Schooling	28,310	11,770	-
School Programs	50,800	69,184	60,670
TOTAL EXPENSES	137,652	140,048	133,795
OPERATING DEFICIT	-	(8,809)	3,509
OPENING ACCUMULATED SURPLUS	58,606	58,606	55,097
CLOSING ACCUMULATED SURPLUS	$ 58,606	$ 49,797	$ 58,606

Schedule 10

AKLAVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Total
SALARIES:					
Instruction Assistants	$ -	$ -	$ 11,770	$ -	$ 11,770
Non-instructional Staff	9,235	22,000	-	36,003	67,238
Board/Trustee Honoraria	-	3,525	-	-	3,525
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	1,828	609	-	610	3,047
SERVICES PURCHASED/ CONTRACTED					
Postage/Communication	-	895	-	-	895
Travel	-	810	-	-	810
Rentals/Leases	5,750	-	-	9,318	15,068
Others	-	1,180	-	1,200	2,380
Contracted Services	-	-	-	1,500	1,500
MATERIALS/SUPPLIES/FREIGHT					
Materials	4,724	6,548	-	19,549	30,821
Furniture and Equipment	-	1,679	-	-	1,679
Freight	-	311	-	1,004	1,315
Total	$ 21,537	$ 37,557	$ 11,770	$ 69,184	$ 140,048

Schedule 11

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 44,515	$ 37,867
Due from Related Parties	2,260	4,812
Accounts Receivable	19,076	19,609
	65,851	62,288
LIABILITIES		
Accounts Payable and Accrued Liabilities	41,003	26,364
Due to Related Parties	8,224	5,400
Payroll Liabilities	2,000	1,382
Deferred Revenue	7,357	7,807
	58,584	40,953
ACCUMULATED SURPLUS	$ 7,267	$ 21,335

Schedule 12

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 86,314	$ 78,697	$ 93,313
Other ECE contributions	60,000	63,659	57,599
Other contributions	-	-	8,000
Other	12,000	61,534	96,385
TOTAL REVENUE	158,314	203,890	255,297
EXPENSES			
Aboriginal Languages/Cultural Programs	32,916	66,845	107,009
Administration	35,856	59,552	57,065
Inclusive Schooling	29,192	23,722	30,120
School Programs	60,350	67,839	63,073
TOTAL EXPENSES	158,314	217,958	257,267
OPERATING DEFICIT	-	(14,068)	(1,970)
OPENING ACCUMULATED SURPLUS	21,335	21,335	23,305
CLOSING ACCUMULATED SURPLUS	$ 21,335	$ 7,267	$ 21,335

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Total
SALARIES:					
Instruction Assistants	$ -	$ -	$ -	$ 42,501	$ 42,501
Non-instructional Staff	50,649	34,291	-	-	84,940
Board/Trustee Honoraria	4,375	4,577	-	-	8,952
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	5,260	1,315	-	2,192	8,767
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	100	-	-	100
Postage/Communication	-	2,183	-	-	2,183
Travel	1,280	-	-	-	1,280
Rentals/Leases	-	-	14,640	-	14,640
Others	-	1,474	9,082	-	10,556
Contracted Services	2,379	-	-	-	2,379
MATERIALS/SUPPLIES/FREIGHT					
Materials	2,902	15,612	-	21,891	40,405
Freight	-	-	-	1,255	1,255
Total	$ 66,845	$ 59,552	$ 23,722	$ 67,839	$ 217,958

Schedule 14

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 72,594	$ 263,446
Due from Related Parties	107,102	18,632
Accounts Receivable	6,229	4,722
	185,925	286,800
LIABILITIES		
Accounts Payable and Accrued Liabilities	119,466	39,635
Payroll Liabilities	4,160	11,288
Deferred Revenue	42,470	37,373
	166,096	88,296
ACCUMULATED SURPLUS	$ 19,829	$ 198,504

Schedule 15

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 194,392	$ 191,435	$ 238,775
Other	279,500	73,956	84,278
TOTAL REVENUE	473,892	265,391	323,053
EXPENSES			
Aboriginal Languages/Cultural Programs	189,026	172,936	127,927
Administration	170,957	155,392	133,135
School Programs	113,909	115,738	50,460
TOTAL EXPENSES	473,892	444,066	311,522
OPERATING DEFICIT	-	(178,675)	11,531
OPENING ACCUMULATED SURPLUS	198,504	198,504	186,973
CLOSING ACCUMULATED SURPLUS	$ 198,504	$ 19,829	$ 198,504

INUVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	School Programs	Total
SALARIES:				
Instruction Assistants	$ 38,514	$ -	$ -	$ 38,514
Non-instructional Staff	37,958	72,938	17,042	127,938
Board/Trustee Honoraria	1,200	8,975	-	10,175
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	5,159	4,935	1,121	11,215
SERVICES PURCHASED/ CONTRACTED				
Postage/Communication	-	3,326	-	3,326
Utilities & Leases	-	-	406	406
Advertising/Printing/Publishing	829	-	-	829
Maintenance/Repair	-	55	-	55
Rentals/Leases	-	-	9,000	9,000
Others	3,652	4,428	61,454	69,534
Contracted Services	25,148	444	24,146	49,738
MATERIALS/SUPPLIES/FREIGHT				
Materials	60,476	25,655	2,569	88,700
Furniture and Equipment	-	34,636	-	34,636
Total	$ 172,936	$ 155,392	$ 115,738	$ 444,066

Schedule 17

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 11,228	$ 402
Due from Related Parties	3,596	3,476
Accounts Receivable	-	2,328
	14,824	6,206
LIABILITIES		
Accounts Payable and Accrued Liabilities	6,000	2,000
Due to Related Parties	-	2,510
Payroll Liabilities	674	1,472
Deferred Revenue	6,371	-
	13,045	5,982
NET FINANCIAL RESOURCES	1,779	224
NON-FINANCIAL ASSETS		
Prepaid Expenses	-	1,220
ACCUMULATED SURPLUS	$ 1,779	$ 1,444

Schedule 18

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 43,618	$ 43,618	$ 42,931
Other	15,500	13,947	16,607
TOTAL REVENUE	59,118	57,565	59,538
EXPENSES			
Aboriginal Languages/Cultural Programs	17,260	8,146	7,054
Administration	23,358	31,572	27,663
School Programs	18,500	17,512	17,786
TOTAL EXPENSES	59,118	57,230	52,503
OPERATING SURPLUS	-	335	7,035
OPENING ACCUMULATED SURPLUS	1,444	1,444	(5,591)
CLOSING ACCUMULATED SURPLUS	$ 1,444	$ 1,779	$ 1,444

PAULATUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	School Programs	Total
SALARIES:				
Non-instructional Staff	$ 6,106	$ 18,519	$ 8,711	$ 33,336
Board/Trustee Honoraria	-	5,525	-	5,525
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	-	884	661	1,545
SERVICES PURCHASED/ CONTRACTED				
Postage/Communication	-	1,337	-	1,337
Student Travel	661	-	-	661
Others	-	275	-	275
Contracted Services	-	4,791	8,000	12,791
MATERIALS/SUPPLIES/FREIGHT				
Materials	1,379	241	140	1,760
Total	$ 8,146	$ 31,572	$ 17,512	$ 57,230

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 40,048	$ 58,832
Due from Related Parties	3,072	-
Accounts Receivable	-	280
	43,120	59,112
LIABILITIES		
Accounts Payable and Accrued Liabilities	10,000	-
Due to Related Parties	-	8,235
Payroll Liabilities	1,014	490
Deferred Revenue	4,596	2,749
	15,610	11,474
ACCUMULATED SURPLUS	$ 27,510	$ 47,638

Schedule 21

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 36,467	$ 31,871	$ 27,298
Other	-	7,749	9,751
TOTAL REVENUE	36,467	39,620	37,049
EXPENSES			
Aboriginal Languages/Cultural Programs	10,186	12,343	722
Administration	5,025	21,827	12,819
School Programs	21,256	25,578	23,221
TOTAL EXPENSES	36,467	59,748	36,762
OPERATING DEFICIT	-	(20,128)	287
OPENING ACCUMULATED SURPLUS	47,638	47,638	47,351
CLOSING ACCUMULATED SURPLUS	$ 47,638	$ 27,510	$ 47,638

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	School Programs	Total
SALARIES:				
Teachers	$ -	$ -	$ 8,798	$ 8,798
Non-instructional Staff	10,000	12,890	-	22,890
Board/Trustee Honoraria	630	3,100	-	3,730
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	-	770	657	1,427
SERVICES PURCHASED/ CONTRACTED				
Others	-	185	-	185
Contracted Services	-	-	15,000	15,000
MATERIALS/SUPPLIES/FREIGHT				
Materials	1,713	4,882	1,123	7,718
Total	$ 12,343	$ 21,827	$ 25,578	$ 59,748

Schedule 23

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 48,837	$ 86,272
Due from Related Parties	1,638	13,374
Accounts Receivable	1,350	1,350
	51,825	100,996
LIABILITIES		
Due to Related Parties	-	7,064
Payroll Liabilities	251	32
	251	7,096
ACCUMULATED SURPLUS	$ 51,574	$ 93,900

Schedule 24

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 23,391	$ 23,391	$ 15,765
Rentals	2,000	3,362	4,050
TOTAL REVENUE	25,391	26,753	19,815
EXPENSES			
Aboriginal Languages/Cultural Programs	14,779	12,604	4,644
Administration	5,612	19,425	12,502
School Programs	5,000	37,050	5,805
TOTAL EXPENSES	25,391	69,079	22,951
OPERATING DEFICIT	-	(42,326)	(3,136)
OPENING ACCUMULATED SURPLUS	93,900	93,900	97,036
CLOSING ACCUMULATED SURPLUS	$ 93,900	$ 51,574	$ 93,900

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	School Programs	Total
SALARIES:				
Instruction Assistants	$ 8,215	$ -	$ -	$ 8,215
Non-instructional Staff	-	2,630	-	2,630
Board/Trustee Honoraria	-	4,240	-	4,240
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	350	-	-	350
SERVICES PURCHASED/ CONTRACTED				
Utilities & Leases	-	77	-	77
Travel	-	709	-	709
Student Travel	-	-	8,015	8,015
Advertising/Printing/Publishing	-	1,010	-	1,010
Maintenance/Repair	-	478	-	478
Rentals/Leases	-	-	1,659	1,659
Others	2,531	4,103	-	6,634
Contracted Services	-	-	10,048	10,048
MATERIALS/SUPPLIES/FREIGHT				
Materials	1,508	3,810	17,328	22,646
Furniture and Equipment	-	857	-	857
Freight	-	1,511	-	1,511
Total	$ 12,604	$ 19,425	$ 37,050	$ 69,079

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 82,382	$ 58,110
Due from Related Parties	17,922	7,201
Accounts Receivable	4,729	913
	105,033	66,224
LIABILITIES		
Accounts Payable and Accrued Liabilities	28,499	26,785
Due to Related Parties	8,394	14,110
Payroll Liabilities	4,268	4,057
Deferred Revenue	5,318	11,029
	46,479	55,981
ACCUMULATED SURPLUS	$ 58,554	$ 10,243

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 164,548	$ 196,404	$ 149,772
Government of Canada	38,500	40,917	27,648
Other	39,500	71,946	44,310
TOTAL REVENUE	242,548	309,267	221,730
EXPENSES			
Aboriginal Languages/Cultural Programs	45,972	37,601	16,405
Administration	51,999	65,624	46,127
Inclusive Schooling	-	31,856	21,016
School Programs	144,577	125,875	113,934
TOTAL EXPENSES	242,548	260,956	197,482
OPERATING SURPLUS	-	48,311	24,248
OPENING ACCUMULATED SURPLUS	10,243	10,243	(14,005)
CLOSING ACCUMULATED SURPLUS	$ 10,243	$ 58,554	$ 10,243

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Total
SALARIES:					
Non-instructional Staff	$ 179	$ 28,784	$ -	$ 40,063	$ 69,026
Board/Trustee Honoraria	15,547	8,775	-	-	24,322
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	-	3,772	-	3,478	7,250
SERVICES PURCHASED/ CONTRACTED					
Postage/Communication	-	347	-	-	347
Utilities & Leases	-	-	1,045	-	1,045
Travel	-	1,358	-	3,000	4,358
Rentals/Leases	-	5,750	17,400	-	23,150
Others	-	1,810	-	2,000	3,810
Contracted Services	60	1,486	4,510	45,150	51,206
MATERIALS/SUPPLIES/FREIGHT					
Materials	21,644	11,052	8,901	31,408	73,005
Furniture and Equipment	-	339	-	-	339
Freight	171	2,151	-	776	3,098
Total	$ 37,601	$ 65,624	$ 31,856	$ 125,875	$ 260,956

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 12,468	$ 54,758
Due from Related Parties	3,771	-
Accounts Receivable	-	689
	16,239	55,447
LIABILITIES		
Accounts Payable and Accrued Liabilities	1,014	250
Due to Related Parties	-	4,080
Payroll Liabilities	924	925
Deferred Revenue	-	27,181
	1,938	32,436
ACCUMULATED SURPLUS	$ 14,301	$ 23,011

Schedule 30

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Contributions from Divisional Council	$ 67,457	$ 67,457	$ 69,044
Other ECE contributions	50,000	46,677	52,913
Other contributions	-	1,669	-
Rentals	-	2,946	2,422
Other	42,525	31,383	24,516
TOTAL REVENUE	159,982	150,132	148,895
EXPENSES			
Aboriginal Languages/Cultural Programs	27,241	28,775	25,071
Administration	42,755	42,614	35,266
Inclusive Schooling	19,210	20,115	14,950
School Programs	70,776	67,338	84,904
TOTAL EXPENSES	159,982	158,842	160,191
OPERATING DEFICIT	-	(8,710)	(11,296)
OPENING ACCUMULATED SURPLUS	23,011	23,011	34,307
CLOSING ACCUMULATED SURPLUS	$ 23,011	$ 14,301	$ 23,011

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Total
SALARIES:					
Non-instructional Staff	$ 21,707	$ 21,455	$ 20,115	$ 41,353	$ 104,630
Board/Trustee Honoraria	2,448	9,300	-	-	11,748
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	-	4,502	-	-	4,502
SERVICES PURCHASED/ CONTRACTED					
Student Travel	3,000	-	-	7,941	10,941
Others	-	3,085	-	-	3,085
MATERIALS/SUPPLIES/FREIGHT					
Materials	1,620	4,272	-	18,044	23,936
Total	$ 28,775	$ 42,614	$ 20,115	$ 67,338	$ 158,842

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and Cash Equivalents	$ 8,988,662	$ 9,630,461
Accounts Receivable	329,418	262,768
Restricted Assets	282,334	258,884
	9,600,414	10,152,113
LIABILITIES		
Accounts Payable and Accrued Liabilities	754,652	542,951
Due to Related Parties	127,397	10,623
Payroll Liabilities	3,085,474	2,681,459
Employee Deductions Payable	2,586	716
Deferred Revenue	60,879	102,479
Post-Employment Benefits	3,083,496	3,422,599
Trust Liabilities	282,334	258,884
	7,396,818	7,019,711
NET FINANCIAL RESOURCES	2,203,596	3,132,402
NON-FINANCIAL ASSETS		
Prepaid Expenses	8,181	19,643
ACCUMULATED SURPLUS	$ 2,211,777	$ 3,152,045

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
REVENUE			
Government of the NWT			
Regular contributions	$ 28,572,133	$ 29,046,637	$ 28,645,178
Other ECE contributions	868,000	1,315,852	735,085
Other contributions	50,000	304,186	438,702
Total Government of the NWT	29,490,133	30,666,675	29,818,965
Government of Canada	-	950	6,361
Board Generated Funds			
Investment Income	60,000	129,169	72,560
Other	820,582	341,316	501,951
Total Board Generated Funds	880,582	470,485	574,511
TOTAL REVENUE	30,370,715	31,138,110	30,399,837
EXPENSES			
Aboriginal Languages/Cultural Programs	2,772,079	3,133,336	2,970,156
Administration	3,382,115	2,547,337	2,912,251
Inclusive Schooling	4,359,163	5,653,162	4,858,271
School Programs	18,534,130	19,877,711	17,018,669
Student Accommodations	140,920	136,391	133,477
Operations & Maintenance	815,000	730,441	2,197,877
TOTAL EXPENSES	30,003,407	32,078,378	30,090,701
OPERATING SURPLUS (DEFICIT)	367,308	(940,268)	309,136
OPENING ACCUMULATED SURPLUS	3,152,045	3,152,045	2,842,909
CLOSING ACCUMULATED SURPLUS	$ 3,519,353	$ 2,211,777	$ 3,152,045

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
DETAILS OF EXPENSES
For the Year Ended June 30, 2018

	Aboriginal Languages/Cultural Programs	Administration	Inclusive Schooling	School Programs	Student Accommodations	Operations & Maintenance	Total
SALARIES:							
Teachers	$ 1,106,480	$ -	$ 1,292,293	$ 11,445,375	$ -	$ -	$ 13,844,148
Instruction Assistants	-	-	-	22,829	-	-	22,829
Non-instructional Staff	447,348	1,270,260	2,251,117	1,843,790	-	-	5,812,515
Board/Trustee Honoraria	69,211	39,374	-	16,532	-	-	125,117
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	521,985	357,140	1,378,886	4,404,951	-	158,324	6,821,286
Leave and Termination	-	-	-	104,383	-	-	104,383
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	51,002	80,006	-	-	-	131,008
Postage/Communication	796	32,314	-	104,081	2,040	-	139,231
Utilities & Leases	-	-	-	2,474	-	-	2,474
Travel	153,295	191,979	70,709	230,957	4,192	-	651,132
Student Travel	15,896	-	2,008	64,486	129,145	-	211,535
Advertising/Printing/Publishing	-	4,362	-	173	-	-	4,535
Maintenance/Repair	8,978	58,010	-	80,106	-	-	147,094
Rentals/Leases	4,375	15,077	-	110,828	-	157,859	288,139
Others	16,547	24,702	46,830	16,676	-	414,258	519,013
Contracted Services	294,597	18,949	90,026	49,356	-	-	452,928
MATERIALS/SUPPLIES/FREIGHT							
Materials	144,372	109,669	88,226	875,856	1,014	-	1,219,137
Furniture and Equipment	59,568	169,056	228,333	243,365	-	-	700,322
Freight	8,679	15,718	31,281	118,924	-	-	174,602
CONTRIBUTIONS/TRANSFERS							
Transfers - Other	281,209	189,725	93,447	142,569	-	-	706,950
Total	$ 3,133,336	$ 2,547,337	$ 5,653,162	$ 19,877,711	$ 136,391	$ 730,441	$ 32,078,378

Commission scolaire francophone
Territoires du Nord-Ouest

Consolidated Financial Statements

June 30, 2018

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Financial Statements

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Commission scolaire francophone
Territoires du Nord-Ouest

Rapport de gestion

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

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

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

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

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

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

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

Les commissaires au titre de l'exercice fiscal 2017-18 sont comme suit :

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

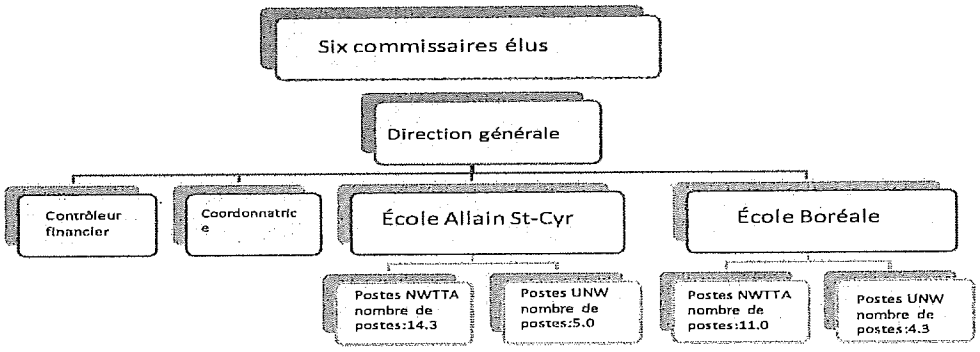
La Commission scolaire francophone TNO gouverne deux écoles publiques en français langue première de la maternelle à la 12e année: l'école Allain St-Cyr à Yellowknife et l'école Boréale à Hay River. En 2017-18, le personnel (en termes de FTE) de la CSFTNO se chiffrait à 37.6 FTE et se présente comme suit :

- Bureau central : 3 FTE
- École Allain St-Cyr (EASC) : 19.3 FTE
- École Boréale : 15.3 FTE

L'organigramme de la Commission scolaire francophone pour l'année scolaire 2017-18:

Au 30 septembre 2017, 119.5 élèves fréquentaient l'école Allain St-Cyr et 80.0 l'école Boréale.

COMMISSION SCOLAIRE FRANCOPHONE DES TNO



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

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

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

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

Priorité : Espace francophone et communautaire

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

Priorité : Engagement des parents et des familles

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

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

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

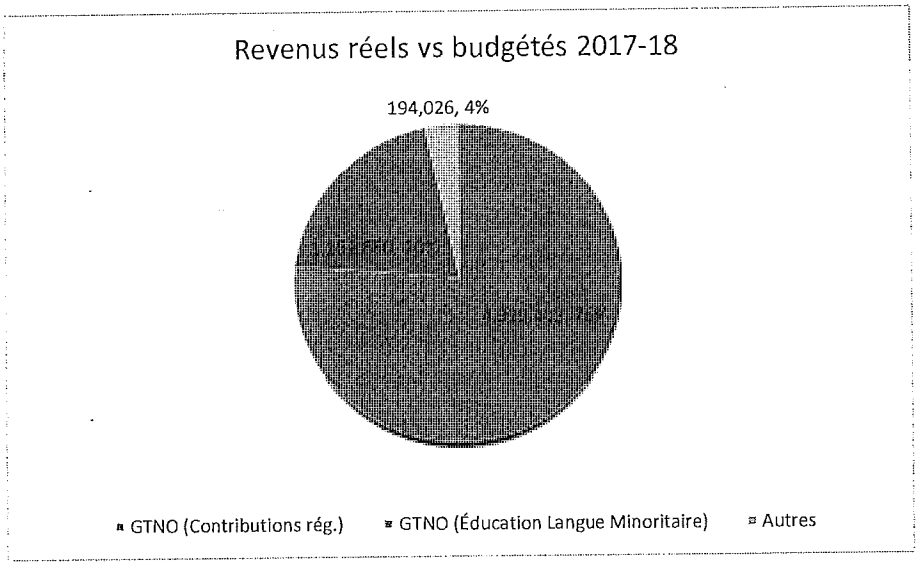
Priorité : Gestion et gouvernances efficaces

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

Revenus [1]

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

- Les contributions régulières calculées par le Cadre de financement scolaire des Territoires du Nord-Ouest (M$ 4.329); et
- La contribution provenant de l'entente *Enseignement en français langue de la minorité* de Patrimoine canadien (M$ 1.153).



[1] Les revenus 2017-18 pris en compte dans le MD&A excluent la levée de financement au profit du Gymnase de ÉASC. Pour cet exercice fiscal 2017-18, $14,000 ont été rapportés au revenu et environ $38,000 ont été différés. En excluant la levée de financement, le revenu total est de M$ 5.676 et non M$ 5.690 comme mentionné dans les états financiers 2017-18.

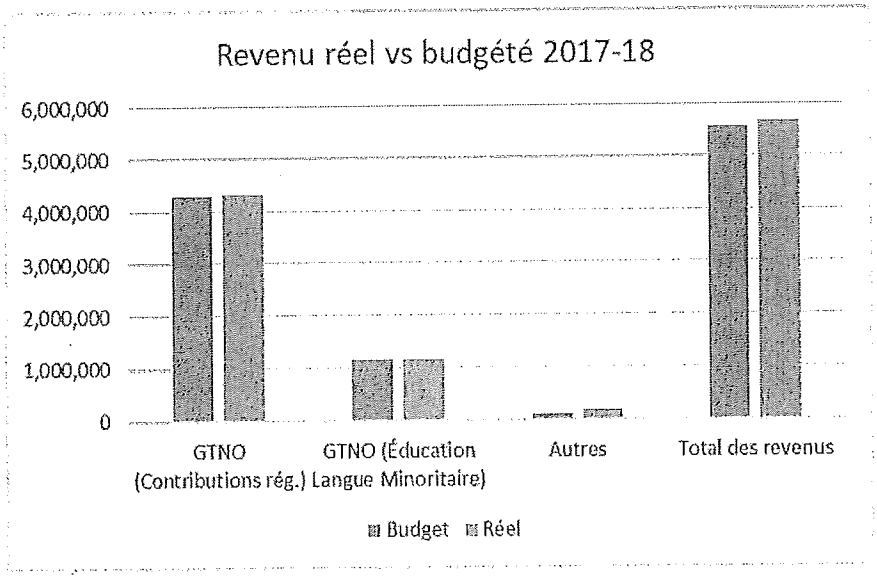
En 2017-2018, la Commission scolaire francophone TNO a enregistré des revenus d'une somme de M$ 5.676 comparativement à un montant budgété de M$ 5.600. Cette variance de K$ 76 s'explique principalement par les facteurs suivants :

- Une hausse des contributions régulières de k$ 37, concernant le projet SSI (k$ 15), l'ajustement de la Prime du Nord (k$ 6) et le paiement des indemnités de départ et de mentorat (k$ 16)

- Des contributions additionnelles de k$ 24 reçues par le Gouvernement des Territoires du Nord-Ouest pendant l'année scolaire 2017-18 qui ne sont pas incluses dans le budget approuvé.

- Une hausse des revenus d'investissement de k$ 10 portant sur le solde moyen de notre compte bancaire.

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

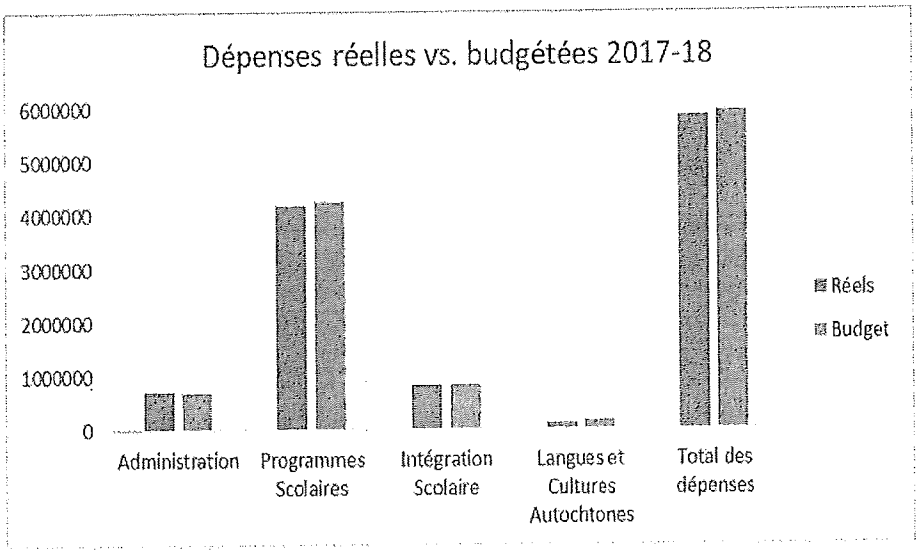


Dépenses

Le total des dépenses de la Commission scolaire francophone TNO au 30 juin 2018 se chiffrait à 5.93 M$ comparativement à un budget approuvé de 5.84 M$, soit un léger dépassement de 0.09 M$.

Les dépenses budgétées sont comparables aux dépenses réelles engagées par la CSFTNO et ne dégagent donc pas un écart important.

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



Programmes

- Administration

  La section administration comprend les dépenses pour les salaires et bénéfices des employés au bureau central, les honoraires du Conseil d'administration et les dépenses administratives de la Commission scolaire francophone TNO. Le total des dépenses réelles s'élève à M$ 0.683 versus un budget de M$ 0.723

- Programmes scolaires

  Cette section inclut les dépenses opérationnelles des écoles telles que les salaires et bénéfices des enseignants, aide-enseignants, consultants, secrétaires et concierges. Les programmes scolaires comprennent également les frais de développement professionnel, le transport par autobus, les matériaux scolaires et les fournitures scolaires dans les écoles. Les dépenses encourues et réalisées se chiffrent à M$ 4.249 contre un budget de M$ 4.166.

- Intégration Scolaire

  Les dépenses pour l'intégration scolaire permettent aux écoles d'inclure tous les élèves et d'assurer leur participation dans les classes régulières. Cette section inclue les salaires et avantages sociaux des enseignants, les adjoint(e)s au programme de soutien, le développement professionnel, les matériaux et fournitures de classe associés au programme d'intégration scolaire. Les dépenses réelles sont restées dans les limites du budget et s'élèvent à M$ 0.835 contre un montant budgété de M$ 0.823.

- Frais de fonctionnement

  Les frais de fonctionnement consistent des dépenses d'opération et de maintenance des écoles non couverts par le Gouvernement des Territoires du Nord-Ouest. Ils ont été regroupés pour les besoins de l'analyse avec les frais d'administration. Ils s'élèvent à M$ 0.051.

- 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 2017-2018 s'est soldé par des dépenses réelles de M$ 0.160 contre un budget de M$ 0.124.

Perspectives 2018-19

Les perspectives 2018-19 sont favorables pour la CSFTNO et lui permettront la continuité de son plan stratégique et même d'envisager une autre phase d'envergure. Le bond quantitatif de ses effectifs (..... au 30 septembre 2018 vs 209.5) permettra de bénéficier d'un fonds additionnel appelé «*Extraordinary Enrolement Fund*» et de revenir progressivement à un budget équilibré.

Sommaire

En 2017-18, la Commission scolaire francophone TNO a approuvé un déficit opérationnel (hors évaluation actuarielle des retraites) de M$ 0.236 contre un déficit budgété de M$ 0.237 et ce, en raison de la baisse de son financement (réduction du nombre d'élèves) malgré des dépenses incontournables nécessaires.

La Commission scolaire francophone TNO a terminé l'année fiscale avec un déficit annuel de M$ 0.170, soit exactement $ 169,664. Par conséquent, le surplus accumulé a diminué en passant de 187 210$ à $ 17,546 au 30 juin 2018.

Malgré un surplus accumulé qui se réduit depuis l'exercice 2016-17 dû à la surévaluation actuarielle des avantages postérieurs à l'emploi, les fonds budgétés pour l'année fiscale 2017-2018 s'enlignent avec le Plan stratégique 2015-2020 dans le but de continuer à offrir un excellent programme d'éducation en français langue première dans nos deux écoles.

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

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2018

The Management Discussion and Analysis, Consolidated 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 Territoire du Nord-Ouest ("the Commission") in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

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

Contrôleur financier
Marc Akpoe, MBA, CPA, CMA, FRM

September 19, 2018

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Independent Auditors' Report

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

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Commission Scolaire Francophone Territoires du Nord-Ouest ("the Commission") which comprise the consolidated statement of financial position as at June 30, 2018 and the consolidated statements of operations, changes in net financial asset, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

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

Qualified Opinion
In our opinion, except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Commission as at June 30, 2018 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.

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 Commission, the consolidated financial statements are in agreement therewith, and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of the Commission.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 19, 2018

Chartered Professional Accountants

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Financial Position

As at June 30,	2018	2017
Financial Assets		
Cash (Note 4)	$ 1,663,870	$ 1,686,375
Accounts receivable (Note 8)	116,571	206,554
	1,780,441	1,892,929
Liabilities		
Accounts payable and accrued liabilities (Note 10)	770,530	634,389
Payroll liabilities (Note 10)	425,695	456,511
Deferred revenue (Note 11)	37,365	12,300
Post-employment benefits (Note 17)	539,726	610,525
	1,773,316	1,713,725
Net financial assets	**7,125**	179,204
Non-financial assets		
Prepaid expenses and deposits (Note 20)	**10,421**	8,006
Accumulated surplus	**$ 17,546**	$ 187,210
Represented By:		
Operating surplus	**$ 17,546**	$ 187,210

Contractual obligations and contingencies (Note 22 and 23)

Approved on behalf of the Board:

Trustee

PRESIDENT

Trustee

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Operations

For the year ended June 30,	2018 Budget	2018 Actual	2017 Actual
Revenue			
Government of the NWT			
ECE Regular contributions	$ 4,292,080	$ 4,329,408	$ 4,514,588
French language instruction	1,152,850	1,152,850	1,152,850
ECE Other contributions (Note 31)	120,425	110,925	96,901
Total GNWT ECE	5,565,355	5,593,183	5,764,339
GNWT Other contributions (Note 32)	-	33,384	44,234
Total GNWT	5,565,355	5,626,567	5,808,573
Government of Canada			
Other contributions	24,250	25,531	46,578
Education body generated funds			
Northwest Territories Teachers' Association Contributions	-	-	17,830
Interest	10,000	22,588	12,773
Fundraising	-	13,986	-
School fees	-	-	156,165
Other revenue	-	1,598	39,181
	10,000	38,172	225,949
	5,599,605	**5,690,270**	6,081,100
Expenses (Schedule 1)			
Administration	723,138	631,768	629,746
School programs	4,166,238	4,249,102	4,303,161
Inclusive schooling	824,428	834,534	855,137
Operations and maintenance	-	1,805	106,707
Aboriginal languages	123,537	159,550	143,784
	5,837,341	**5,876,759**	6,038,535
Operating surplus (deficit) before other items	**(237,736)**	**(186,489)**	42,565
Other items			
Post-employment benefit (recovery) expense (Note 17)		**(16,825)**	(25,081)
Grant in-kind - Assets provided at no cost (Note 21)		**344,165**	164,160
Rent expense - Assets provided at no cost (Note 21)		**(344,165)**	(164,160)
Adjusted operating surplus (deficit)	**(237,736)**	**(169,664)**	67,646
Opening accumulated surplus	**187,210**	**187,210**	119,564
Closing accumulated surplus	$ **(50,526)**	$ **17,546**	$ 187,210

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,	2018 Budget	2018 Actual	2017 Actual
Adjusted operating surplus (deficit)	$ **(237,736)**	$ **(169,664)**	$ 67,646
Use (acquisition) of prepaid expenses and deposits	-	(2,415)	8,840
Increase (decrease) in net financial assets	**(237,736)**	**(172,079)**	76,486
Net financial assets, beginning of year	**179,204**	**179,204**	102,718
Net financial assets, end of year	$ (58,532)	$ **7,125**	$ 179,204

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Cash Flows

For the year ended June 30,	2018	2017
Cash provided by (used in):		
Operating transactions		
Operating surplus (deficit)	$ (169,664)	$ 67,646
Changes in non-cash assets and liabilities		
Increase (decrease) in accounts receivable	89,983	123,438
Increase (decrease) in accounts payable	136,141	482,912
Increase (decrease) in payroll liabilities	(30,816)	(120,161)
Increase (decrease) in deferred revenue	25,065	12,300
Increase (decrease) in post-employment benefits	(70,799)	(38,289)
Increase (decrease) in prepaid expenses and deposits	(2,415)	8,840
Increase (decrease) in cash	**(22,505)**	536,686
Cash at beginning of year	**1,686,375**	1,149,689
Cash at end of year	**$ 1,663,870**	$ 1,686,375

See accompanying notes and schedules

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 1
Consolidated Details of Expenses

For the year ended June 30,

	School Programs	Inclusive Schooling (schedule 4)	Operations & Maintenance	Administration	Aboriginal Languages (schedule 2)	**Total 2018**	Budget 2018	Total 2017
Salaries								
Teacher salaries	$ 3,216,012	$ 333,690	$ -	$ -	$ 62,776	**$ 3,612,478**	$ 3,493,253	$ 3,431,386
Instruction assistants	132,345	344,644	-	-	-	**476,989**	545,250	546,291
Non-instruction staff	348,946	61,228	-	418,624	-	**828,798**	794,065	902,019
Board/trustee honoraria	-	-	-	33,555	-	**33,555**	38,500	36,357
Elders in schools	-	-	-	-	8,858	**8,858**	10,000	9,900
	3,697,303	739,562	-	452,179	71,634	**4,960,678**	**4,881,068**	4,925,953
Employee Benefits								
Employee benefit	-	-	28,160	-	-	**28,160**	31,000	30,986
Leave and termination	-	-	(26,355)	-	-	**(26,355)**	60,000	75,721
	-	-	1,805	-	-	**1,805**	**91,000**	106,707
Services Purchased/Contracted								
Advertising/Publishing	3,983	-	-	40,687	-	**44,670**	33,500	36,541
Communication	15,543	-	-	12,576	-	**28,119**	31,828	29,510
Contracted services	72,681	32,201	-	52,333	-	**157,215**	105,000	159,337
Maintenance & repairs	23,711	-	-	-	-	**23,711**	37,800	33,249
Other	39,074	19,638	-	19,184	27,804	**105,700**	118,450	146,468
Rental/leases	109,267	-	-	2,763	-	**112,030**	113,000	119,482
Student travel	52,455	-	-	-	-	**52,455**	65,000	57,866
Travel	19,843	18,521	-	24,830	16,056	**79,250**	68,095	93,590
	336,557	70,360	-	152,373	43,860	**603,150**	**572,673**	676,043
Supplies and Materials								
Freight	4,432	-	-	49	-	**4,481**	4,550	3,138
Materials	210,810	24,612	-	27,167	44,056	**306,645**	288,050	326,694
	215,242	24,612	-	27,216	44,056	**311,126**	**292,600**	329,832
Total	$ 4,249,102	$ 834,534	$ 1,805	$ 631,768	$ 159,550	**$ 5,876,759**	**$ 5,837,341**	$ 6,038,535

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 2
Details of Aboriginal Language and Culture Expenses

For the year ended June 30, 2018

	Student Instructions	School Activities & Integrated Community Programs	Total
Function Salaries			
ALCBE teachers	$ 62,776	$ -	$ 62,776
Honoraria	-	27,804	27,804
Elders in the schools	-	8,858	8,858
	62,776	**36,662**	**99,438**
Services Purchased/Contracted			
Travel	-	16,056	16,056
	-	**16,056**	**16,056**
Materials/Supplies/Freight			
Materials	-	**44,056**	**44,056**
	$ 62,776	**$ 96,774**	**$ 159,550**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 3
Aboriginal Languages (contributions)

For the year ended June 30, 2018

Contribution agreement	July 1 to March 31	April 1 to June 30	Total
Revenues			
Funding received	$ -	$ 61,228	$ 61,228
	-	**61,228**	**61,228**
Expenses			
Salaries	57,331	42,107	99,438
Other	21,636	38,476	60,112
	78,967	**80,583**	**159,550**
Net deficit	**$ (78,967)**	**$ (19,355)**	**$ (98,322)**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 4
Details of Inclusive Schooling Expenses

For the year ended June 30, 2018

	Staff Development	Student Resources	General Inclusive Schooling	Total
Salaries				
Consultants	$ -	$ -	$ 61,228	$ 61,228
Program support teachers	-	-	333,690	333,690
Support assistants	-	-	344,644	344,644
		-	**739,562**	**739,562**
Services Purchased/Contracted				
Contracted services	-	-	32,201	32,201
Other	19,638	-	-	19,638
Travel	-	-	18,521	18,521
	19,638	-	**50,722**	**70,360**
Materials/Supplies/Freight				
Freight	-	-	-	-
Materials	-	24,612	-	24,612
	-	**24,612**	-	**24,612**
	$ 19,638	**$ 24,612**	**$ 790,284**	**$ 834,534**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 5
French Language Funding

For the year ended June 30, 2018

	Contributions from ECE	Commitments from Commission	Expenditures	(Under) Over Funding
STUDENT PARTICIPATION				
School administration (salary)	$ 275,000	$ 20,000	$ 354,473	$ (59,473)
Retention bursaries	12,000	-	9,250	2,750
2 grade level per class (salary)	410,850	1,725,000	2,615,085	(479,235)
2 secretaries / librarian (salary)	70,000	48,000	169,486	(51,486)
SCHOOL PROGRAMS				
Cyber pedagogy (salary)	50,000	10,000	60,407	(407)
Technology resources	45,000	-	52,276	(7,276)
PROGRAM ENRICHMENT				
Partnership early childhood	25,000	-	25,000	-
Teacher assistants for francization (salary)	100,000	20,000	132,344	(12,344)
Art program	75,000	-	80,195	(5,195)
Cultural activities	30,000	-	52,072	(22,072)
French resource purchase	25,000	5,000	39,594	(9,594)
EDUCATIONAL SUPPORT FOR PERSONNEL				
Mentors in literacy and numeracy	10,000	-	14,713	(4,713)
Mentors in literacy and numeracy (O&M)	15,000	-	10,164	4,836
Professional development	10,000	10,000	38,933	(18,933)
Total	**$ 1,152,850**	**$ 1,838,000**	**$ 3,653,992**	**$ (663,142)**

Regular GNWT Funding
Total **$ 4,329,408**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 6
Student Success Initiative

For the year ended June 30, 2018

		Total
Revenue - Government of the NWT Education, Culture, & Employment	$	**15,000**
Expenditures		
Salaries/Wages		
Facilitator fees		19,793
Substitute teacher		3,404
		23,197
Travel		-
Total expenditures		**23,197**
Deficit	$	**(8,197)**

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 consolidated financial statements of the Commission have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality. The consolidated 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 expenditure items are recognized in the accounts and reported in the consolidated 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 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 accounts receivable.

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

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.

(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 expenditure.

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.

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 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 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.

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

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, expenditures 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 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. 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.

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 exits; contamination exceeds the environmental standard; The Commission is directly responsible and accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2018.

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.

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 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.

Operations and Maintenance: pertains to the operation and maintenance of all YCS buildings and maintenance shop facilities.

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

Restructuring Transactions, Section PS 3430

This section establishes standards on how to record assets, liabilities, revenues and expenses relating to restructuring transactions as well as disclosure requirements for the recipient and transferor. This section applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted.

Student Activity Funds

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

The impact of the transition to these accounting standards has not yet been determined.

4. Cash and Cash Equivalents

	2018	2017
Cash	$ 1,663,870	$ 1,686,375

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

5. Special Purpose Funds

The Commission does not have special purpose funds.

6. Restricted Assets

The Commission does not have any restricted assets.

7. Portfolio Investments

The Commission does not have any portfolio investments.

8. Accounts Receivable

	Accounts Receivable 2018	Allowance for doubtful accounts 2018	Net 2018	Net 2017
Due from GNWT	$ 77,992	$ -	$ 77,992	$ 132,960
Trade and other receivables	38,909	330	38,579	73,594
	$ 116,901	**$ 330**	**$ 116,571**	$ 206,554

9. Inventory

The Commission does not have inventory.

10. Accounts Payable and Accrued Liabilities

	2018	2017
Due to GNWT	$ 590,184	$ 382,052
Due to related parties	22,911	49,638
Due to Workers' Safety and Compensation Commission	4,801	8,882
Trade payable	152,634	193,817
	$ 770,530	$ 634,389

Payroll Liabilities

	2018	2017
NWTTA	$ 313,084	$ 314,721
UNW	55,007	48,632
Other	57,604	93,158
	$ 425,695	$ 456,511

11. Deferred Revenue

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

	2018	2017
Government of the Northwest Territories		
MACA - Active After School program funding	$ -	$ 12,300
Other		
Fundraising campaign	37,365	-
	$ 37,365	$ 12,300

12. Contributions Repayable

The Commission does not have any contributions repayable.

13. Due From and To the Government of Canada

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

14. Capital Lease Obligations

The Commission does not have capital lease obligations.

15. Pensions

The Commission does not have pensions.

16. Long-Term Debt

The Commission does not have long-term debt.

17. Post-Employment Benefits

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

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

17. Post-Employment Benefits (Continued)

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, 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 Authority.

Changes in Obligation	Severance and Removal	Compensated Absences	2018	2017
Accrued benefit obligation beginning of year	$ 185,288	$ 57,084	$ 242,372	$ 191,547
Current period benefit cost	17,377	6,103	23,480	21,485
Interest accrued	6,396	1,989	8,385	6,605
Benefits payments	(27,645)	(26,329)	(53,974)	(13,208)
Actuarial loss	2,448	17,979	20,427	35,943
Accrued benefit obligation end of year	**183,864**	**56,826**	**240,690**	242,372
Unamortized net actuarial gain	224,984	74,052	299,036	368,153
Total accrued liability	**$ 408,848**	**$ 130,878**	**$ 539,726**	$ 610,525
Benefits Expense				
Current period benefit cost	$ 17,377	$ 6,103	$ 23,480	$ 21,485
Interest accrued	6,396	1,989	8,385	6,605
Amortization of gains	(34,576)	(14,114)	(48,690)	(53,171)
Total benefits recovery	**$ (10,803)**	**$ (6,022)**	**$ (16,825)**	$ (25,081)

The discount rate used in the 2018 fiscal year to determine the accrued benefit obligation was an average of 3.8% (2017 - 3.3%).

17. Post-Employment Benefits (Continued)

The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
	$	$	$
2019	18,910	6,856	**25,766**
2020	18,780	5,897	**24,677**
2021	20,805	6,251	**27,056**
2022	20,668	6,194	**26,862**
2023	18,773	5,375	**24,148**
Next 5 years	84,278	21,881	**106,159**
Total	**182,214**	**52,454**	**234,668**

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

	2018	2017
Prepaid expenses	$ **10,421**	$ 8,006

21. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	2018 Net Book Value	2017 Net Book Value
Ecole Allain St-Cyr	$ 3,392,305	$ 1,632,695	$ 1,759,610	$ 1,844,410
Ecole Boreale	3,741,675	1,116,012	2,625,663	2,719,998
Ecole Allain St-Cyr Phase 1	4,490,598	1,201,099	3,289,499	3,419,347
Ecole Boreale Modular Units	1,189,060	269,046	920,014	952,581
Ecole Boreale Pellet Boiler	86,115	33,831	52,284	54,899
	12,899,753	4,252,683	**8,647,070**	8,991,235

Rent expense of $344,165 (2017 - $164,160) was offset by a grant in-kind.

22. Contractual Obligations

The Commission has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2018.

The future minimum payments are as follows:

	Expires in fiscal year	2019	2020-2023	Total
Equipment leases				
Workcenter 5955	2021	$ 3,227	$ 6,454	$ 9,681
Printer/Mono Scanner				
Xerox WC7845i	2020	4,000	4,000	8,000
Aficia MP C4502	2022	2,052	5,130	7,182
		$ 9,279	**$ 15,584**	**$ 24,863**

23. Contingencies

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

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

24. 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.

Due from related parties:

	2018	2017
Accounts Receivable		
Government of Northwest Territories:		
Department of Education, Culture and Employment	$ 77,992	$ 132,960
	$ 77,992	$ 132,960

24. Related Parties (continued)

Due to related parties:

		2018		2017
Accounts Payable				
Government of Northwest Territories:				
Department of Education, Culture and Employment	$	-	$	15,464
Department of Finance		588,414		366,588
Department of Infrastructure		1,770		-
Other related parties:				
Dehcho Divisional Education Council		300		-
Hay River District Education Authority		2,898		17,943
Yellowknife Education District No.1		19,713		31,695
	$	**613,095**	$	431,690

Salaries and wages payable

		2018		2017
GNWT - Department of Finance (salaries and wages payable)	$	424,136	$	453,914
GNWT - Department of Finance (employee deductions payable)		1,559		2,597
	$	**425,695**	$	456,511

Expenses paid to related parties

		2018		2017
Dehcho Divisional Education Council	$	300	$	-
Hay River District Education Authority		36,118		-
Yellowknife Education District No.1		25,788		-
	$	**62,206**	$	-

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 Commission.

The budget figures presented are those approved by the Trustees of the Commission on June 19, 2017 and have not been audited.

26. 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.

27. 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:

	2018	2017
Cash	$ 1,663,870	$ 1,686,375
Accounts receivable	116,571	206,554
Maximum credit exposure	**$ 1,780,441**	$ 1,892,929

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.

At June 30, 2018, the following accounts receivable were past due but not impaired:

	30 Days	**60 Days**	**90 Days**	**90+ Days**	**Total**
Accounts receivable	$ 76,256	$ 14,096	$ 1,213	$ 25,006	$ 116,571

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, 2018, receivables from the GNWT comprised approximately 67% (2017 - 64%) of the total balance. The amounts represent a low credit risk as the debtors are reputable governments and government organizations with a good credit score. The Commission reduces its risk exposure by following up on old account receivables for collection.

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.

27. Financial Instruments (continued)

b) Liquidity risk

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

The Commission's maximum exposure to liquidity risk is represented by accounts payable, accrued liabilities, payroll liabilities and contributions repayable for a total $1,196,225 (2017 - $1,090,900).

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

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

28. Expenditures By Object

	2018 Budget	2018 Actual	2017 Actual
Compensation	$ 4,972,068	$ 4,962,483	$ 5,032,660
Materials/freight	292,600	311,126	329,832
Services purchased/contracted	572,673	603,150	676,043
	$ 5,837,341	**$ 5,876,759**	$ 6,038,535

29. Subsequent Events

There were no subsequent events between June 30, 2018 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.

31. ECE Other Contributions

	2018	2017
Government of the Northwest Territories		
Department of Education, Culture and Employment		
Community support funding	$ 27,000	$ -
Early Childhood	-	61,562
English Languages Communication & Services	12,000	-
Self-Regulation	12,000	18,750
Other	59,925	16,589
	$ 110,925	$ 96,901

32. GNWT Other Contributions

	2018	2017
Government of the Northwest Territories		
Department of Environment and Natural Resources	$ -	$ 8,250
Department of Health and Social Services	3,360	4,004
Department of Municipal and Community Affairs	30,024	28,380
Legislative Assembly	-	3,600
	$ 33,384	$ 44,234

33. Contingent Assets

The Commission does not have any contingent assets.

34. Contractual Rights

The Commission does not have any contractual rights.

Consolidated Financial Statements of

DEHCHO DIVISIONAL EDUCATION COUNCIL

June 30, 2018

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Financial Statements

June 30, 2018

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MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

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

Vision and Core Strategy

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

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

Governance, Trustees and Key Management

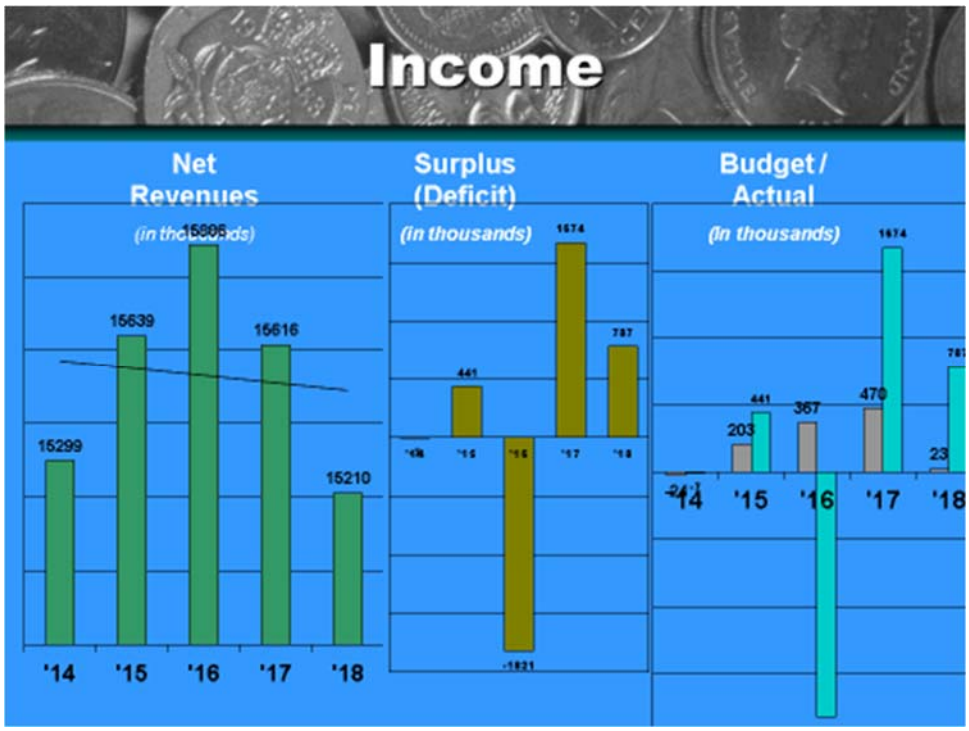
Presently, the Council is represented by trustees from eight communities in the Dehcho region. The Council Members are as follows:

Fort Providence- Evelyn Sabourin
Fort Liard- Herbert Berreault

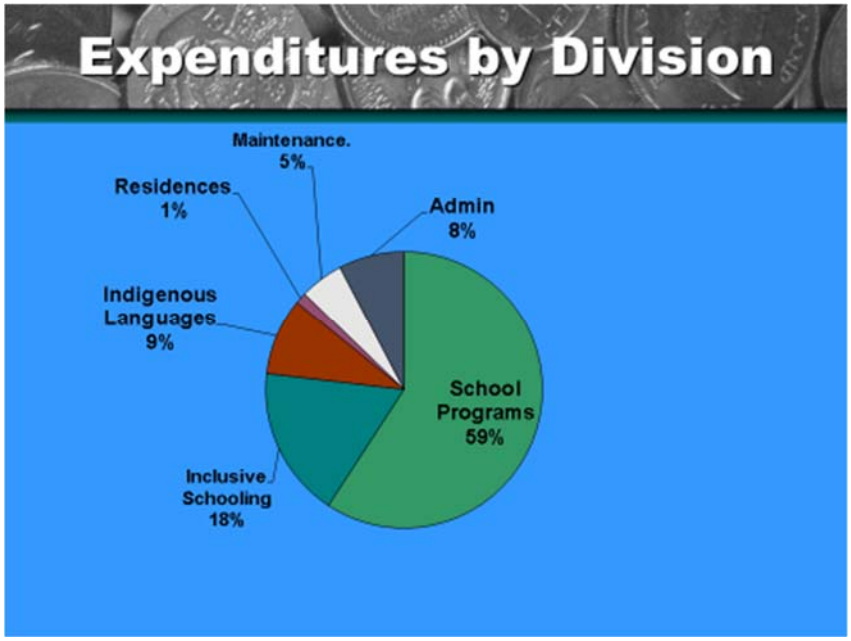
- Fort Simpson- Renalyn Pascua-Matte- Chairperson
- Jean Marie River- Yvonne Norwegian
- Kakisa Lake- Anita Chicot
- Trout Lake- Danna Auger
- Wrigley- Lisa Moses
- Nahanni Butte- Jayne Konisenta

The management staff include Terry Jaffray, 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 two 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 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 second 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	WRIGLEY	FT LIARD	NAHANNI BUTTE	
SCHOOL	Thomas Simpson	Bompas School	Deh Gah School	Louie Norwegian	Kakisa L School	Charles Tetcho School	Chief J Yendo School	Echo Dene School	Charles Yohin School	TOTAL
STUDENTS										
Beginning of Year Enrollment	97	101	126	5	9	23	21.5	106	5.5	494
End of Year Enrollment	98	105	122	4	9	23	21.0	106	5.5	493.5
TOTAL BY DISTRICT EDUCATION AUTHOR (DEA) END OF YEAR		203	122	4	9	23	21.0	106	5.5	493.5

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

Operating Environment

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

Financial Conditions

During the fiscal year ending June 30, 2018, 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 $ 22,513. During the year, the Council managed to incorporate several recoveries as well as prudent fiscal management, despite declining enrollment, to record a surplus of

$787,305. When converted to cash flow working capital surplus, the amount of available surplus for future years is even more. This surplus for the 2018 year brought the overall accumulated book surplus up to $820,626 after several years of declining enrollment and unexpected costs. The budget planned for 2018-19 of a small surplus again, as well as the current cash balance of $3,924,935 eliminated any liquidity concerns as the Council continues to maintain cost controls in the current year, while contingent liabilities are not a risk to the Council's financial health. In addition, the Council has budgeted for a surplus of $113,862 for the 2018-19 fiscal year in order to maintain the financial stability of the Council.

Surplus/(Deficit)

	2018	2017
Operating surplus (deficit) before other item	$ 816,968	$ 1,676,910
Other items - Payroll Expenses, refer to Note 17	(29,663)	(3,028)
Prior Year Funding Received	-	-
	$ 787,305	$ 1,673,882
Unfunded Items:		
Change in employee leave and termination benefits	6,168	22,160
(Increase)/Decrease in post-employment benefits	81,418	(269,820)
Annual Surplus (Deficit)	$ 874,891	$ 1,426,222

	2018	2017
Accumulated Surplus (Deficit)	$ 820,626	$ 33,321
Employee leave and termination benefit	47,641	41,564
Post-employment benefits	2,046,113	2,127,531
Adjusted Accumulated Surplus (Deficit)	$ 2,914,380	$ 2,202,416

Summary and Outlook

During the past year, 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, mental health support for small schools, 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 21st century learners and the goals of Education Renewal. Literacy, distance learning, self-regulation, and the Indigenous Language revitalization programs will continue. New initiatives include: programs and training for incumbent Language Teachers, disciplinary literacy training, autism training and programs and co-teaching. Finally, the 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

P. Brulot — Sept 29/18

Philippe Brulot
Superintendent
Dehcho Divisional Education Council

Date

David Fiebelkorn — Sept 28/18

David Fiebelkorn, CGA
Comptroller
Dehcho Divisional Education Council

Date

ASHTON
Chartered Accountants
Business Advisors

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

AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of the Dehcho Divisional Education Council, which comprise the consolidated statement of financial position as at June 30, 2018, and the consolidated statements of operations, changes in net financial assets (debt), and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

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

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

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these financial present fairly, in all material respects, the financial position of the Education Body as at June 30, 2018 and its financial performance and its cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

Report on Other Legal and Regulator Requirements

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



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
September 28, 2018

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Financial Position

June 30, 2018

	2018	*2017
FINANCIAL ASSETS		
Cash and cash equivalents, Note 4	$ **3,624,435**	$ 3,342,918
Special purpose funds, Note 5	**300,400**	291,097
Due from the Government of Canada, Note 13	**-**	56,801
Accounts receivable, Note 8	**151,419**	97,828
	$ **4,076,254**	$ 3,788,644
LIABILITIES		
Accounts payable and accrued liabilities, Note 10	$ **46,626**	$ 61,173
Payroll liabilities, Note 10	**909,040**	1,387,011
Due to the Government of Canada, Note 13	**-**	-
Deferred revenue, Note 11	**138,938**	73,883
Post-employment benefits, Note 17	**2,046,113**	2,127,531
Trust Liabilities, Note 18	**135,617**	136,182
	3,276,334	3,785,780
Net Assets (Deficit)	$ **799,920**	$ 2,864
NON-FINANCIAL ASSETS		
Prepaid expenses, Note 20	$ **20,706**	$ 30,457
ACCUMULATED SURPLUS (DEFICIT)	$ **820,626**	$ 33,321

* Reclassified for comparative purposes

Represented by:

Accumulated Operating surplus (deficit)		
Divisional Education Council	$ **464,920**	$ (250,901)
District Education Authorities	**355,706**	284,222
	$ **820,626**	$ 33,321

Contractual obligations, Note 22
Contingencies, Note 23

Approved:

Chair

Vice-chair

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Operations

For the year ended June 30, 2018

	Budget 2018	**Actual 2018**	Actual *2017
Revenue			
Government of the NWT			
ECE regular contribution	$ 13,852,674	$ **13,816,950**	$ 14,449,482
Aboriginal languages contributions, Schedule B	73,000	**335,000**	73,000
French language program, Schedule D	55,000	**-**	50,000
ECE other contributions, Note 31	-	**69,673**	183,986
Total ECE contributions	13,980,674	**14,221,623**	14,756,468
GNWT other contributions, Note 32	505,100	**295,771**	402,038
Total GNWT	14,485,774	**14,517,394**	15,158,506
Government of Canada contributions	-	**60,324**	103,534
	14,485,774	**14,577,718**	15,262,040
Self-Generated Funds			
Rentals	36,000	**42,800**	25,460
Investment income	15,000	**48,659**	20,293
Contract and other	82,000	**294,545**	118,098
	133,000	**386,004**	163,851
Education authority self-generated funds, Schedule H-1	-	**147,167**	145,662
GNWT contributions to Education Authorities, Schedule H-1	-	**99,186**	44,830
	-	**246,353**	190,492
	14,618,774	**15,210,075**	15,616,383
Expenses			
Administration	1,106,178	**1,103,488**	1,077,082
School programs	9,692,134	**8,522,987**	8,107,699
Inclusive schooling	2,396,978	**2,535,816**	2,681,648
Student accommodation	-	**189,403**	237,260
Operations and maintenance	-	**737,258**	780,267
Aboriginal language/cultural programs	1,400,971	**1,304,155**	1,055,517
	14,596,261	**14,393,107**	13,939,473
Operating surplus (deficit) before other item	22,513	**816,968**	1,676,910
Other item:			
Post-employment benefit recovery (expense), Note 17	-	**-29,663**	-3,028
Payroll expense, Note 17	-	**-**	-
Operating surplus (deficit)	**$ 22,513**	**$ 787,305**	**$ 1,673,882**
Accumulated surplus (deficit), beginning of year		**33,321**	(1,640,561)
Accumulated surplus (deficit), end of year		$ **820,626**	$ 33,321

* Reclassified for comparative purposes

Accumulated surplus (deficit) is comprised of the following:

Accumulated surplus (deficit), end of year	$ **820,626**	$ 33,321
Post employment benefits Unamortized net actuarial (gain)/loss (Note 17)	**999,870**	613,521
Revised accumulated surplus (deficit), end of the year	$ **1,820,496**	$ 646,842

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Change in Net Assets (Debt)

For the year ended June 30, 2018

		2018		2017
Operating Surplus (Deficit)	$	**787,305**	$	1,673,882
Amortization of tangible assets		**-**		-
Net change in prepaids		**9,751**		(10,457)
(Increase) Decrease in net debt		**797,056**		1,663,425
Net assets (debt) beginning of the year		**2,864**		(1,660,561)
Net assets (debt) end of year	$	**799,920**	$	2,864

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Cash Flow

For the year ended June 30, 2018

		2018		2017
Operating Activities				
Operating Surplus (Deficit)	$	**787,305**	$	1,673,882
Items not affecting cash:				
Amortization		**-**		-
		-		-
Changes in non-cash assets and liabilities				
Decrease (increase) in due from the Government of Canada		**56,801**		(56,801)
Decrease (increase) in trust assets		**-**		-
Decrease (increase) in accounts receivable		**(53,591)**		206,487
Increase (decrease) in accounts payable		**(14,547)**		(3,867)
Increase (decrease) in payroll liabilities		**(477,971)**		(276,991)
Increase (decrease) in contributions repayable		**-**		-
Increase (decrease) in due to the Government of Canada		**-**		(4,897)
Increase (decrease) in deferred revenues		**65,055**		(22,567)
Increase (decrease) in post-employment benefits		**(81,418)**		(269,820)
Increase (decrease) in trust liabilities		**(565)**		102,563
Decrease (increase) in prepaids		**9,751**		(10,457)
		(496,485)		(336,350)
Cash provided by operating transactions		**290,820**		1,337,532
Financing Activities				
Repayment of capital lease obligation		**-**		-
Proceeds from capital lease obligation		**-**		-
Cash provided by financing activities		**-**		-
Investing Activities				
Disposition of portfolio investments		**-**		-
Acquisition of portfolio investments		**-**		-
Cash provided by investing transactions		**-**		-
Capital transactions				
Acquisition of tangible capital assets		**-**		-
Proceeds of disposition of tangible capital assets		**-**		-
Cash provided by capital transactions		**-**		-
Increase (Decrease) in cash and cash equivalents		**290,820**		1,337,532
Cash and cash equivalents, beginning of year		**3,634,015**		2,296,483
Cash and cash equivalents, end of year	$	**3,924,835**	$	3,634,015
Cash consists of :				
Cash, Note 4	$	**3,624,435**	$	3,342,918
Special purpose funds, Note 5		**300,400**		291,097
	$	**3,924,835**	$	3,634,015

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.

Note 2. **Summary of Significant Accounting Policies**

(a) Basis of Accounting

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

(b) Cash and Cash Equivalents

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

(c) Financial Instruments

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

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

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

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

(c) Financial Instruments (continued)

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

(d) Non-Financial Assets

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

(e) Tangible Capital Assets

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

(f) Revenue Recognition

Government Transfers:

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

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

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

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

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

(f) Revenue Recognition - (Continued)

GNWT – Regular Contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Education Body retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the GNWT.

Other Contributions:

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

Deferred Revenue:

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

Investment Income:

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

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.

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

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(i) Inventories Including Materials and Supplies

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

(j) Payroll Liabilities

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

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

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

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

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

(l) 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**

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

Inter-entity Transactions - Section PS 3420
PSAB approved Section PS 3420, Inter-entity transactions. This section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The new standard is effective for fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

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

Note 4. **Cash and Cash Equivalents**

		2018		2017
Cash	$	**3,624,435**	$	3,342,918
Short term investments		-		-
	$	**3,624,435**	$	3,342,918

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.

		2018		2017
Fort Simpson (Bompas Elementary/Thomas Simpson Secondary Schools)	$	**68,778**	$	48,978
Fort Providence (Deh Gah Elementary/Secondary Schools)		**57,437**		98,450
Fort Liard (Echo-Dene School)		**40,938**		30,684
Jean Marie River (Louie Norwegian School)		**15,093**		12,768
Wrigley (Chief Julian Yendo School)		**80,682**		64,448
Nahanni Butte (Charles Yohin School)		**24,508**		22,855
Sambaa K'e (Charles Tetcho School)		**7,426**		8,900
Kakisa Lake (Territorial School - Kakisa Lake School)		**5,538**		4,014
	$	**300,400**	$	291,097

Note 6. **Restricted Assets - Nil Report**

Note 7. **Portfolio Investments - Nil Report**

Note 8. **Accounts Receivable**

	Receivables 2018	AFDA 2018	**Net 2018**	Net 2017
GNWT - ECE	$ 22,571	$ -	$ **22,571**	$ 24,498
GNWT - MACA	8,000	-	**8,000**	-
GNWT - Finance	6,606	-	**6,606**	2,954
GNWT - HSS	12,500	-	**12,500**	831
GNWT - ITI	9,661	-	**9,661**	-
Aurora College	1,344	-	**1,344**	10,620
Commission Scolaire de Francophone	300	-	**300**	-
Total Due from GNWT	60,982	-	**60,982**	38,903
WSCC	-	-	-	-
Other	90,437	-	**90,437**	58,925
Total receivables before amounts due from Government of Canada	151,419	-	**151,419**	97,828
Government of Canada	-	-	**-**	56,801
	$ 151,419	$ -	$ **151,419**	$ 154,629

Note 9. **Inventories - Not Applicable**

Note 10. **Accounts Payable and Accrued Liabilities**

	2018	2017
GNWT - Human Resources	$ **-**	$ 294
WSCC	**-**	-
Employee source deductions	**7,636**	55
Accounts payable and accrued liabilities	**38,990**	60,824
	46,626	61,173
Payroll liabilities		
UNW School Year & NWTTA	**861,399**	1,345,447
Leave	**47,641**	41,564
	909,040	1,387,011
	$ **955,666**	$ 1,448,184

Note 11. **Deferred Revenue**

	2018	2017
GNWT - MACA		
Active After School	$ **15,300**	$ 6,266
Physical Literacy	**38,638**	4,675
	53,938	10,941
National Indian Brotherhood Trust		
Willow Lake Culture Camp	**-**	62,942
Tides Canada Foundation		
NWT on the Land Collaborative	**85,000**	-
	$ **138,938**	$ 73,883

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

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

		2018		2017
Receivables				
Project - Youth Wellness Program	$	**-**	$	56,801
Miscellaneous receivables		**-**		-
	$	**-**	$	56,801
Payables				
Advances on projects	$	**-**	$	-
Miscellaneous payables		**-**		-
	$	**-**	$	-

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

Note 15. **Pension - Not Applicable**

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

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

The Education Body provides severance (resignation and retirement), removal and compensated absence (sick, special 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.

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

Valuation Results

The actuarial valuation was completed as at March 31, 2017. The effective date of the next actuarial valuation is March 31, 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 the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

	Severance and removal	Compensated Absences	2018	2017 *Restated*
Changes in Obligation				
Accrued benefit obligations beginning of the year	$ 1,268,500	$ 245,510	$ 1,514,010	$ 1,494,968
Current period benefit cost	51,851	16,708	68,559	67,104
Interest accrued	35,653	7,445	43,098	40,852
Benefits payments	(57,464)	(53,617)	(111,081)	(272,848)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	(443,260)	(25,083)	(468,343)	183,934
Accrued benefit obligation, end of year	855,280	190,963	1,046,243	1,514,010
Unamortized net actuarial gain	990,238	9,632	999,870	613,521
Net future obligation	$ 1,845,518	$ 200,595	$ 2,046,113	$ 2,127,531
Benefits Expense				
Currrent period benefit cost	$ 51,851	$ 16,708	$ 68,559	$ 67,104
Interest cost	35,653	7,445	43,098	40,852
Plan amendments	-	-	-	-
Amortization of actuarial gains	(83,510)	1,516	(81,994)	(104,928)
	$ 3,994	$ 25,669	$ 29,663	$ 3,028

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	2018
2019	$ 194,361	$ 33,373	$ 227,734
2020	131,631	28,203	159,834
2021	112,997	27,752	140,749
2022	109,441	26,813	136,254
2023	112,130	26,424	138,554
	$ 660,560	$ 142,565	$ 803,125

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.

		2018		2017
Superintendent Fund	$	**11,501**	$	10,481
Steve Rowan Memorial Scholarship Fund		**111,970**		113,731
Mercedes Benz Scholarship Fund		**12,146**		11,970
	$	**135,617**	$	136,182

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

Note 20. **Prepaid Expenses**

		2018		2017
CIBC Visa Deposit	$	**20,000**	$	20,000
Prepaid service contracts		**706**		10,457
CIBC Visa Deposit	$	**20,706**	$	30,457

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

		Cost		Accumulated Amortization		**2018 Net Book Value**		2018 Net Book Value
Buildings								
Schools and colleges	$	28,010,625	$	18,309,524	$	**9,701,101**	$	9,921,306
Residences		843,808		532,708		**311,100**		332,191
Staff Housing		287,453		216,374		**71,079**		78,263
	$	29,141,886	$	19,058,606	$	**10,083,280**	$	10,331,760

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*		2019		2020 - 2021		Total
Equipment leases	2021	$	45,603	$	55,569	$	101,172
Operational leases	2018		133,126		-		133,126
		$	178,729	$	55,569	$	234,298

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

Note 23. **Contingencies - Nil Report**

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:

		2018		2017
Accounts payable, Note 10				
Government of the Northwest Territories				
Human Resources	$	**-**	$	294
Other related parties				
NWT Power Corporation		**-**		3,000
	$	**-**	$	3,294
Payroll liabilities, Note 10				
Government of the Northwest Territories	$	**909,040**	$	1,387,011
Deferred Revenues, Note 11				
Government of the Northwest Territories				
Municipal and Community Affairs	$	**53,938**	$	10,941

Accounts receivable, Note 8	AR 2018	AFDA	**Net AR 2018**	Net AR 2017
Government of the Northwest Territories				
Education, Culture and Employment	$ 22,571	$ -	$ **22,571**	$ 24,498
Municipal and Community Affairs	8,000	-	**8,000**	-
Finance	6,606	-	**6,606**	2,954
Health & Social Services (DHSS)	12,500	-	**12,500**	831
Industry, Tourism and Investment (ITI)	9,661	-	**9,661**	-
Total GNWT	59,338	-	**59,338**	28,283
Other related parties				
Aurora College	1,344	-	**1,344**	10,620
Commission Scolaire de Francophone	300	-	**300**	-
	$ 60,982	$ -	$ **60,982**	$ 38,903

Note 24. **Related Parties (continued)**

		2018		2017
Revenues				
Government of the Northwest Territories				
ECE - Core contribution	$	**13,816,950**	$	14,449,482
ECE - Aboriginal language contributions, Schedule B		**335,000**		73,000
ECE - French language program, Schedule D		**-**		50,000
ECE - other contributions, Note 31		**69,673**		183,986
MACA - GNWT other Contributions, Note 32		**240,695**		347,636
ITI - GNWT other Contributions, Note 32		**16,636**		40,200
DHSS - GNWT other Contributions, Note 32		**38,440**		14,202
GNWT contributions to Education Authorities, Schedule H-1		**99,186**		44,830
Department of Finance - rent and custodian		**18,120**		18,120
Total GNWT		**14,634,700**		15,221,456
Other related parties				
Aurora College		**33,921**		33,921
	$	**14,668,621**	$	15,255,377

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 August 18, 2017 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, 2018.

Credit risk

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

Liquidity

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

Market risk

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

Currency risk

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

Interest rate risk

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

Note 28. **Expenses by Object**

	2018 Budget	**2018 Actual**	2017 Actual
Compensation	$ 12,559,119	**$ 12,204,933**	$ 12,219,308
Professional/Technical Services	30,000	**31,291**	27,133
Postage/Communication	105,000	**148,360**	89,322
Utilities	38,272	**-**	45,497
Travel	716,870	**436,712**	302,816
Student Travel (Bussing)	65,000	**112,956**	24,753
Advertising/Printing/Publishing	40,000	**95,836**	26,087
Maintenance/Repair	28,000	**72,679**	27,635
Rentals/Leases	63,000	**59,969**	52,604
Other - Contracted Services	221,000	**303,746**	316,794
Materials, Supplies and Freight	730,000	**926,625**	807,524
Amortization	-	**-**	-
	$ 14,596,261	**$ 14,393,107**	$ 13,939,473

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**

		2018		2017
Distance education	$	**39,673**	$	38,514
Labour market agreement for persons with disabilities		**24,000**		-
Self regulation		**6,000**		7,000
Infrastructure funding		**-**		138,472
	$	**69,673**	$	183,986

Note 32. **GNWT Other Contributions**

		2018		2017
Municipal and Community Affairs				
Sports and youth programs	$	**21,929**	$	5,000
Sport strategy		**127,140**		127,140
Children and youth resiliency		**13,363**		36,136
Active after school		**102,260**		108,000
Mental health youth conference		**9,000**		-
Other		**10,000**		1,000
Enviroment and Natural Resources				
Take a kid trapping		**16,636**		40,200
Health and Social Services				
Drop the pop		**13,440**		14,202
Youth conference		**25,000**		-
Deferred revenue - GNWT, opening		**10,941**		81,301
Deferred revenue - GNWT, closing		**(53,938)**		(10,941)
	$	**295,771**	$	402,038

Note 33. **Contingent Assets - Nil Report**

Note 34. **Contractual Rights - Nil Report**

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	**2018 Total**
Salaries							
Teachers' salaries	$ 6,156,860	$ 1,014,776	$ -	$ -	$ -	$ -	$ **7,171,636**
Instruction assistants	33,289	1,069,622	-	-	-	730,858	**1,833,769**
Non-instructional staff	747,754	298,547	-	659,836	632,908	201,570	**2,540,615**
Board/Trustee Honoraria	-	-	-	-	60,424	107,449	**167,873**
	6,937,903	2,382,945	-	659,836	693,332	1,039,877	**11,713,893**
Employee Benefits							
Employee benefits and allowances	204,148	122,239	-	19,128	18,903	25,054	**389,472**
Leave and termination	101,568	-	-	-	-	-	**101,568**
	305,716	122,239	-	19,128	18,903	25,054	**491,040**
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	31,291	-	**31,291**
Postage/Communication	103,988	-	1,280	-	43,092	-	**148,360**
Utilities	-	-	-	-	-	-	**-**
Travel	228,832	26,116	22,538	-	97,225	62,001	**436,712**
Student Travel (Bussing)	67,157	-	-	-	45,799	-	**112,956**
Advertising/Printing/Publishing	22,149	-	-	-	45,836	27,851	**95,836**
Maintenance/Repair	-	-	-	49,295	23,384	-	**72,679**
Rentals/Leases	23,675	-	-	5,500	26,548	4,246	**59,969**
Other - Contracted Services	153,420	-	143,506	3,499	3,321	-	**303,746**
	599,221	26,116	167,324	58,294	316,496	94,098	**1,261,549**
Materials, Supplies and Freight							
Materials	663,616	4,516	21,958	-	74,757	135,680	**900,527**
Freight	16,531	-	121	-	-	9,446	**26,098**
	680,147	4,516	22,079	-	74,757	145,126	**926,625**
Contributions and Transfers							
Transfers	-	-	-	-	-	-	**-**
Amortization	-	-	-	-	-	-	**-**
Total	$ 8,522,987	$ 2,535,816	$ 189,403	$ 737,258	$ 1,103,488	$ 1,304,155	$ **14,393,107**

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-Based Education Expenses

Schedule A

For the year ended June 30, 2018

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	**2018 Total**
Salaries					
ALCBE teachers	$ -	$ -	$ -	$ -	$ **-**
Language consultants	123,059	-	-	-	**123,059**
Instruction assistants	730,858	-	-	-	**730,858**
Non-instructional staff	-	-	-	-	**-**
Honoraria	-	29,293	-	-	**29,293**
Elders in schools	-	-	-	78,156	**78,156**
	853,917	29,293	-	78,156	**961,366**
Employee Benefits					
Employee benefits and allowances	25,054	-	-	-	**25,054**
	25,054	-	-	-	**25,054**
Services Purchased/Contracted					
Professional services	-	-	-	-	**-**
Travel	-	71,868	-	-	**71,868**
Student transportation	-	-	-	-	**-**
Advertising, printing and publishing	-	27,851	-	-	**27,851**
Maintenance and repairs	-	-	-	-	**-**
Rentals and leases	-	4,246	-	-	**4,246**
Other contracted services	-	-	-	107,403	**107,403**
	-	103,965	-	107,403	**211,368**
Materials, Supplies and Freight					
Materials	-	138,140	-	-	**138,140**
Freight	-	9,446	-	-	**9,446**
	-	147,586	-	-	**147,586**
Total	$ 878,971	$ 280,844	$ -	$ 185,559	$ **1,345,374**

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Languages (contributions)

Schedule B

For the year ended June 30, 2018

	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	**Total Fiscal Year 2017/2018**
Revenue			
Funding received	$ 335,000	$ -	$ **335,000**
Expenditure			
Salaries	46,042	47,388	**93,430**
Other O & M	98,485	155,371	**253,856**
	144,527	202,759	**347,286**
Surplus (Deficit), March 31, 2018	$ 190,473		
Surplus (Deficit), June 30, 2018		$ (202,759)	
Surplus (Deficit) - Total			$ **(12,286)**

DEHCHO DIVISIONAL EDUCATION COUNCIL

Inclusive Schooling Expenses

Schedule C

For the year ended June 30, 2018

Function	General Inclusive Schooling	Staff Development	Assistive Technology	Magnet Facilities	Total
Salaries					
Regional Coordinator	$ 298,547	$ -	$ -	$ -	$ 298,547
Program Support Teachers	1,014,776	-	-	-	1,014,776
Support Assistants	1,069,622	-	-	-	1,069,622
Honoraria	-	-	-	-	-
	2,382,945	-	-	-	2,382,945
Employee Benefits					
Employee benefits and allowances	122,239	-	-	-	122,239
	122,239	-	-	-	122,239
Services Purchased/Contracted					
Professional and technical services	-	-	-	-	-
Travel	1,900	24,216	-	-	26,116
Student transportation	-	-	-	-	-
Advertising, printing and publishing	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	-	-	-	-	-
	1,900	24,216	-	-	26,116
Materials, Supplies and Freight					
Materials	4,516	-	-	-	4,516
Freight	-	-	-	-	-
	4,516	-	-	-	4,516
Total	$ 2,511,600	$ 24,216	$ -	$ -	$ 2,535,816

DEHCHO DIVISIONAL EDUCATION COUNCIL

French Language Program

Schedule D

For the year ended June 30, 2018

	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	$ 76,897	$ 126,897	$ -

**In the 2018 fiscal year, the Council had to repay the 2017 French Language contribution of $50,000 to the GNWT due to ineligible expenses. This has resulted in net revenues from the GNWT for the French Language Program of $nil for the 2018 fiscal year.

DEHCHO DIVISIONAL EDUCATION COUNCIL

Northern Distance Learning

Schedule E

For the year ended June 30, 2018

	Budget	Fort Liard	**Total**	March 31	June 30	**Total**
Revenue						
Education, Culture and Employment	$ 39,673	$ 39,673	$ **39,673**	$ 39,673	$ -	$ **39,673**
Other	-	-	**-**	-	-	**-**
	39,673	39,673	**39,673**	39,673	-	**39,673**
Expenses						
Salaries/Wages						
Instructional Staff	-	-	**-**	-	-	**-**
Teachers	25,000	25,615	**25,615**	20,409	5,206	**25,615**
On-site support person	-	-	**-**	-	-	**-**
Non-Instructional Staff	-	-	**-**	-	-	**-**
Moodle (Online strategy)	-	-	**-**	-	-	**-**
DL Coordinator	-	-	**-**	-	-	**-**
PD - online learning field	-	-	**-**	-	-	**-**
Other	-	-	**-**	-	-	**-**
Services Purchased/Contracted						
Network	14,673	14,673	**14,673**	-	14,673	**14,673**
Travel	-	-	**-**	-	-	**-**
Coordinator travel	-	-	**-**	-	-	**-**
Professional Development	-	-	**-**	-	-	**-**
Communication	-	-	**-**	-	-	**-**
In-service release	-	-	**-**	-	-	**-**
Other	-	-	**-**	-	-	**-**
IT support	-	-	**-**	-	-	**-**
Materials, Supplies and Freight						
Computer Equipment	-	-	**-**	-	-	**-**
Document cameras	-	-	**-**	-	-	**-**
Phone	-	-	**-**	-	-	**-**
Laptop	-	-	**-**	-	-	**-**
Video (Monopad)	-	-	**-**	-	-	**-**
Wireless adapters and splitter	-	-	**-**	-	-	**-**
Freight	-	-	**-**	-	-	**-**
Other	-	-	**-**	-	-	**-**
Total expenses	39,673	40,288	**40,288**	20,409	19,879	**40,288**
Net surplus/(deficit)	$ -	$ (615)	$ **(615)**	$ 19,264	$ (19,879)	$ **(615)**

DEHCHO DIVISIONAL EDUCATION COUNCIL

Student Success Initiative Projects

Schedule F

For the year ended June 30, 2018

	2018	2017
Revenue		
GNWT - Education, Culture & Employment	$ **55,000**	$ 55,000
NWT Teachers Association	**39,889**	11,853
	94,889	66,853
Expenditure		
Salaries and wages		
Facilitator fees	**-**	6,318
Substitute teacher wages	**-**	2,908
Staff	**45,000**	45,000
Travel		
Facilitator travel	**-**	-
Airfare	**11,141**	4,128
Staff travel	**9,637**	3,796
Accommodations	**-**	-
Per diems	**-**	-
Other expenses	**-**	-
Student resources		
Room rental	**-**	-
Refreshments	**-**	-
Resources	**29,111**	4,703
Stationary printing	**-**	-
	94,889	66,853
Surplus (Deficit)	$ **-**	$ -

DEHCHO DIVISIONAL EDUCATION COUNCIL

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

Schedule G-1

For the year ended June 30, 2018

	2018 Budget	**2018 Actual**	2017 Actual
Revenue			
Government of the NWT			
ECE regular contributions	$ 13,852,674	$ **13,816,950**	$ 14,449,482
Aboriginal languages contribution, Schedule B	73,000	**335,000**	73,000
French language instruction, Schedule D	55,000	**-**	50,000
ECE other contributions, Note 33	-	**69,673**	183,986
	13,980,674	**14,221,623**	14,756,468
GNWT - other contributions	505,100	**295,771**	402,038
Government of Canada contributions	-	**60,324**	103,534
Self-Generated Funds			
Rentals	36,000	**42,800**	25,460
Investment income	15,000	**48,659**	20,293
Contract and other	82,000	**294,545**	118,098
	133,000	**386,004**	163,851
	14,618,774	**14,963,722**	15,425,891
Expenditure			
School programs	9,692,134	**8,378,175**	8,218,824
Inclusive schooling	2,396,978	**2,535,816**	2,681,648
Student accommodations	-	**189,403**	237,260
Operations and maintenance	-	**729,360**	774,138
Administration	1,106,178	**1,040,110**	930,438
Aboriginal languages	1,400,971	**1,345,374**	971,984
	14,596,261	**14,218,238**	13,814,292
Excess of Revenue over Expenditure before other items	$ 22,513	$ **745,484**	$ 1,611,599
Other Items:			
Post-employment benefit recovery (expense), Note 17		**(29,663)**	(3,028)
Payroll Expenses, Note 17		**-**	-
Excess (Deficiency) of Revenue over Expenditure		$ **715,821**	$ 1,608,571
Accumulated surplus (deficit), beginning of year		**(250,901)**	(1,859,472)
Accumulated surplus (deficit), end of year		$ **464,920**	$ (250,901)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Details of Council Expenses (Non-Consolidated)

Schedule G-2

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	**2018 Total**	2018 Budget	*2017 Total
Salaries									
Teachers' salaries	$ 6,259,146	$ 1,014,776	$ -	$ -	$ -	$ -	$ **7,273,922**	$ 7,110,587	$ 8,062,925
Instruction Assistant	-	1,069,622	-	-	-	730,858	**1,800,480**	1,213,355	2,326,767
Non Instructional Staff	641,490	298,547	-	651,938	614,966	123,059	**2,330,000**	3,666,956	2,761,743
Board/Trustee Honoraria	-	-	-	-	25,225	107,449	**132,674**	86,000	21,375
	6,900,636	2,382,945	-	651,938	640,191	961,366	**11,537,076**	12,076,898	13,172,810
Employee Benefits									
Employee benefits and allowances	203,335	122,239	-	19,128	18,903	25,054	**388,659**	262,221	302,473
Leave and termination	101,568	-	-	-	-	-	**101,568**	220,000	619,855
	304,903	122,239	-	19,128	18,903	25,054	**490,227**	482,221	922,328
Services Purchased/Contracted									
Professional/Technical Services	-	-	-	-	31,291	-	**31,291**	30,000	28,665
Postage/Communication	103,988	-	1,280	-	43,366	-	**148,634**	105,000	104,645
Utilities	-	-	-	-	-	-	**-**	38,272	32,896
Travel	358,096	26,116	22,538	-	96,765	71,868	**575,383**	716,870	413,153
Student Travel (Bussing)	46,500	-	-	-	-	-	**46,500**	65,000	54,262
Advertising/Printing/Publishing	22,149	-	-	-	45,836	27,851	**95,836**	40,000	35,289
Maintenance/Repair	-	-	-	49,295	23,506	-	**72,801**	28,000	26,491
Rentals/Leases	23,675	-	-	5,500	24,755	4,246	**58,176**	63,000	62,339
Other - Contracted Services	-	-	143,506	3,499	-	-	**147,005**	221,000	214,722
	554,408	26,116	167,324	58,294	265,519	103,965	**1,175,626**	1,307,142	972,462
Materials, Supplies and Freight									
Materials	601,097	4,516	21,958	-	17,722	138,140	**783,433**	700,000	718,844
Freight	17,131	-	121	-	-	9,446	**26,698**	30,000	31,651
	618,228	4,516	22,079	-	17,722	147,586	**810,131**	730,000	750,495
Contributions and Transfers									
Transfers to DEA	-	-	-	-	97,775	107,403	**205,178**	-	209,249
Amortization	-	-	-	-	-	-	**-**	-	-
Total	$ 8,378,175	$ 2,535,816	$ 189,403	$ 729,360	$ 1,040,110	$ 1,345,374	$ **14,218,238**	$ 14,596,261	$ 16,027,344

* Reclassified for comparative purposes

DEHCHO DIVISIONAL EDUCATION COUNCIL

District Education Authority Operations Summary
Non-Consolidated
For the year ended June 30, 2018

Schedule H-1

	Fort Simpson	Fort Providence	Fort Liard	Jean Marie River	Wrigley	Nahanni Butte	Sambaa K'e	Kakisa Lake	Total
Revenue									
Operating contributions from Divisional Council	$ 48,572	$ 45,367	$ 27,928	$ 15,835	$ 18,865	$ 15,932	$ 16,840	$ 15,839	$ 205,178
Other contributions from Divisional Council	60,956	318,959	46,755	10,078	-	-	9,298	12,578	458,624
Contributions from GNWT	7,950	84,236	-	-	-	-	-	7,000	99,186
Self-generated funds	92,833	32,038	1,388	1,525	13,926	-	3,420	2,037	147,167
	210,311	480,600	76,071	27,438	32,791	15,932	29,558	37,454	910,155
Expenditure									
Administration	71,323	45,115	7,895	10,863	4,418	885	15,416	18,794	174,709
School programs	112,606	330,528	45,881	13,217	12,139	12,434	780	16,438	544,023
Inclusive schooling	-	-	-	-	-	-	-	-	-
Student accommodations	-	-	-	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-	7,898	-	7,898
Aboriginal language/cultural programs	8,580	83,028	11,764	1,033	-	-	6,938	698	112,041
	192,509	458,671	65,540	25,113	16,557	13,319	31,032	35,930	838,671
Excess (Deficiency) of Revenue over Expenditure	17,802	21,929	10,531	2,325	16,234	2,613	(1,474)	1,524	71,484
Accumulated surplus, beginning of year	43,340	98,450	30,407	12,768	64,448	21,895	8,900	4,014	284,222
Accumulated surplus, end of year	$ 61,142	$ 120,379	$ 40,938	$ 15,093	$ 80,682	$ 24,508	$ 7,426	$ 5,538	$ 355,706
Composition of Ending Accumulated Surplus									
Cash	$ 68,778	$ 57,437	$ 40,938	$ 15,093	$ 80,682	$ 24,508	$ 7,426	$ 5,538	$ 300,400
Accounts receivable	-	62,942	-	-	-	-	-	-	62,942
Accounts payable	(7,636)	-	-	-	-	-	-	-	(7,636)
	$ 61,142	$ 120,379	$ 40,938	$ 15,093	$ 80,682	$ 24,508	$ 7,426	$ 5,538	$ 355,706

DEHCHO DIVISIONAL EDUCATION COUNCIL

Details of DEA Expenses Summary
Non-Consolidated
For the year ended June 30, 2018

Schedule H-2

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ 891	$ -	$ -	$ -	$ -	$ -	$ 891
Instruction Assistant	33,289	-	-	-	-	-	33,289
Non-instructional Staff	106,264	-	-	7,898	26,787	95,930	236,879
Board/Trustee Honorarium	-	-	-	-	35,199	-	35,199
	140,444	-	-	7,898	61,986	95,930	306,258
Employee Benefits							
Employee Benefits and Allowances	813	-	-	-	-	-	813
Leave and Termination	-	-	-	-	-	-	-
	813	-	-	-	-	-	813
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	619	-	-	-	460	1,483	2,562
Student Travel (Bussing)	67,157	-	-	-	45,799	-	112,956
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	816	-	816
Rentals/Leases	-	-	-	-	1,793	-	1,793
Other - Contracted Services	153,420	-	-	-	6,820	-	160,240
	221,196	-	-	-	55,688	1,483	278,367
Materials/Supplies/Freight							
Materials	181,570	-	-	-	57,035	14,628	253,233
Freight	-	-	-	-	-	-	-
	181,570	-	-	-	57,035	14,628	253,233
Total	$ 544,023	$ -	$ -	$ 7,898	$ 174,709	$ 112,041	838,671

FORT SIMPSON

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenues			
Contributions from Divisional Council	$ 48,572	$ 48,572	$ 50,442
Other - Dehcho DEC	-	60,956	37,320
Other - Contributions from GNWT	-	7,950	4,330
Other	-	92,833	90,978
	48,572	210,311	183,070
Expenses			
Administration	12,500	71,323	72,714
School programs	32,072	112,606	108,672
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	4,000	8,580	20,831
	$ 48,572	192,509	202,217
Surplus (Deficit)	-	17,802	(19,147)
Opening equity		43,340	62,487
Closing equity		$ 61,142	$ 43,340
Composition of Closing Equity			
Cash		$ 68,778	$ 48,978
Accounts receivable		-	500
Accounts payable		(7,636)	(6,138)
		$ 61,142	$ 43,340

FORT SIMPSON

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	33,289	-	-	-	-	-	33,289
Non Instructional Staff	-	-	-	-	3,119	8,336	11,455
Board/Trustee Honoraria	-	-	-	-	5,913	-	5,913
	33,289	-	-	-	9,032	8,336	50,657
Employee Benefits							
Employee Benefits/Allowances	813	-	-	-	-	-	813
Leave and Termination Benefits	-	-	-	-	-	-	-
	813	-	-	-	-	-	813
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	63,471	-	-	-	45,799	-	109,270
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	9,901	-	-	-	4,090	-	13,991
	73,372	-	-	-	49,889	-	123,261
Materials/Supplies/Freight							
Materials	5,132	-	-	-	12,402	244	17,778
Freight	-	-	-	-	-	-	-
	5,132	-	-	-	12,402	244	17,778
Total	$ 112,606	$ -	$ -	$ -	$ 71,323	$ 8,580	$ 192,509

FORT PROVIDENCE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ 45,367	$ 45,367	$ 45,862
Other - Dehcho DEC	-	318,959	258,279
Other - Contributions from GNWT	-	84,236	40,500
Other	-	32,038	24,229
	45,367	480,600	368,870
Expenses			
Administration	21,275	45,115	29,108
School programs	22,092	330,528	248,658
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	83,028	40,081
	45,367	458,671	317,847
Surplus (Deficit)	-	21,929	51,023
Opening equity		98,450	47,427
Closing equity		$ 120,379	$ 98,450
Composition of Closing Equity			
Cash		$ 57,437	$ 98,450
Accounts receivable		62,942	-
Accounts payable		-	-
		$ 120,379	$ 98,450

FORT PROVIDENCE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ 891	$ -	$ -	$ -	$ -	$ -	$ 891
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	104,746	-	-	-	2,798	71,137	178,681
Board/Trustee Honoraria	-	-	-	-	4,696	-	4,696
	105,637	-	-	-	7,494	71,137	184,268
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	1,483	1,483
Student Travel (Bussing)	3,686	-	-	-	-	-	3,686
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	516	-	516
Rentals/Leases	-	-	-	-	293	-	293
Other - Contracted Services	79,501	-	-	-	60	-	79,561
	83,187	-	-	-	869	1,483	85,539
Materials/Supplies/Freight							
Materials	141,704	-	-	-	36,752	10,408	188,864
Freight	-	-	-	-	-	-	-
	141,704	-	-	-	36,752	10,408	188,864
Total	$ 330,528	$ -	$ -	$ -	$ 45,115	$ 83,028	$ 458,671

FORT LIARD

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ 27,928	$ 27,928	$ 28,533
Other - Dehcho DEC	-	46,755	47,781
Other - Contributions from GNWT	-	-	-
Other	-	1,388	-
	27,928	76,071	76,314
Expenses			
Administration	9,250	7,895	10,532
School programs	16,678	45,881	23,542
Inclusive Schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	11,764	18,589
	27,928	65,540	52,663
Surplus (Deficit)	-	10,531	23,651
Opening equity		30,407	6,756
Closing equity		$ 40,938	$ 30,407
Composition of Closing Equity			
Cash		$ 40,938	$ 30,684
Accounts receivable		-	-
Accounts payable		-	(277)
		40,938	30,407

FORT LIARD

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	1,518	-	-	-	-	9,175	10,693
Board/Trustee Honoraria	-	-	-	-	4,132	-	4,132
	1,518	-	-	-	4,132	9,175	14,825
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-		-		-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	19,533	-	-	-	126	-	19,659
	19,533	-	-	-	126	-	19,659
Materials/Supplies/Freight							
Materials	24,830	-	-	-	3,637	2,589	31,056
Freight	-	-	-	-	-	-	-
	24,830	-	-	-	3,637	2,589	31,056
Total	$ 45,881	$ -	$ -	$ -	$ 7,895	$ 11,764	$ 65,540

JEAN MARIE RIVER

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenues			
Contributions from Divisional Council	$ 15,835	$ 15,835	$ 15,725
Other - Dehcho DEC	-	10,078	21,322
Other - Contributions from GNWT	-	-	-
Other	-	1,525	-
	15,835	27,438	37,047
Expenses			
Administration	10,950	10,863	8,426
School programs	2,885	13,217	19,077
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	1,033	4,640
	$ 15,835	25,113	32,143
Surplus (Deficit)	-	2,325	4,904
Opening equity		12,768	7,864
Closing equity		$ 15,093	$ 12,768
Composition of Closing Equity			
Cash		$ 15,093	$ 12,768
Accounts receivable		-	-
Accounts payable		-	-
		15,093	12,768

JEAN MARIE RIVER

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	1,225	1,033	2,258
Board/Trustee Honoraria	-	-	-	-	6,210	-	6,210
	-	-	-	-	7,435	1,033	8,468
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	619	-	-	-	460	-	1,079
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	300	-	300
Rentals/Leases	-	-	-	-	1,500	-	1,500
Other - Contracted Services	12,598	-	-	-	811	-	13,409
	13,217	-	-	-	3,071	-	16,288
Materials/Supplies/Freight							
Materials	-	-	-	-	357	-	357
Freight	-	-	-	-	-	-	-
	-	-	-	-	357	-	357
Total	$ 13,217	$ -	$ -	$ -	$ 10,863	$ 1,033	$ 25,113

WRIGLEY

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ 18,865	$ 18,865	$ 18,645
Other - Dehcho DEC	-	-	5,000
Other - Contributions from GNWT	-	-	-
Other	-	13,926	22,810
	18,865	32,791	46,455
Expenses			
Administration	12,050	4,418	4,369
School programs	4,815	12,139	34,584
Inclusive schooling	-	-	-
Student accomodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	-	-
	18,865	16,557	38,953
Surplus (Deficit)	-	16,234	7,502
Opening equity		64,448	56,946
Closing equity		$ 80,682	$ 64,448
Composition of Closing Equity			
Cash		$ 80,682	$ 64,448
Accounts receivable		-	-
Accounts payable		-	-
		$ 80,682	$ 64,448

WRIGLEY

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	4,146	-	4,146
	-	-	-	-	4,146	-	4,146
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	12,139	-	-	-	272	-	12,411
	12,139	-	-	-	272	-	12,411
Materials/Supplies/Freight							
Materials	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	$ 12,139	$ -	$ -	$ -	$ 4,418	$ -	$ 16,557

NAHANNI BUTTE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenues			
Contributions from Divisional Council	$ 15,932	$ 15,932	$ 16,152
Other - Dehcho DEC	-	-	-
Other - Contributions from GNWT	-	-	-
Other	-	-	-
	15,932	15,932	16,152
Expenses			
Administration	10,950	885	2,104
School programs	2,982	12,434	14,864
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	-	-
	15,932	13,319	16,968
Surplus (Deficit)	-	2,613	(816)
Opening equity		21,895	22,711
Closing equity		$ 24,508	$ 21,895
Composition of Closing Equity			
Cash		$ 24,508	$ 22,855
Accounts receivable		-	-
Accounts payable		-	(960)
		$ 24,508	$ 21,895

NAHANNI BUTTE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	625	-	625
	-	-	-	-	625	-	625
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	12,434	-	-	-	260	-	12,694
	12,434	-	-	-	260	-	12,694
Materials/Supplies/Freight							
Materials	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	$ 12,434	$ -	$ -	$ -	$ 885	$ -	$ 13,319

Sambaa K'e (formerly Trout Lake)

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ 16,841	$ 16,840	$ 17,061
Other - Dehcho DEC	-	9,298	12,422
Other - Contributions from GNWT	-	-	-
Other	-	3,420	1,125
	16,841	29,558	30,608
Expenses			
Administration	10,950	15,416	13,646
School programs	3,891	780	1,077
Inclusive schooling	-	-	-
Student accomodations	-	-	-
Operations and maintenance	-	7,898	6,129
Aboriginal language/cultural programs	2,000	6,938	2,963
	16,841	31,032	23,815
Surplus (Deficit)	-	(1,474)	6,793
Opening equity		8,900	2,107
Closing equity		$ 7,426	$ 8,900
Composition of Closing Equity			
Cash		$ 7,426	$ 8,900
Accounts receivable		-	-
Accounts payable		-	-
		$ 7,426	$ 8,900

Sambaa K'e (formerly Trout Lake)

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	7,898	5,382	6,174	19,454
Board/Trustee Honoraria	-	-	-	-	6,277	-	6,277
	-	-	-	7,898	11,659	6,174	25,731
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	200	-	-	-	329	-	529
	200	-	-	-	329	-	529
Materials/Supplies/Freight							
Materials	580	-	-	-	3,428	764	4,772
Freight	-	-	-	-	-	-	-
	580	-	-	-	3,428	764	4,772
Total	$ 780	$ -	$ -	$ 7,898	$ 15,416	$ 6,938	$ 31,032

KAKISA LAKE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenues			
Contributions from Divisional Council	$ 15,839	$ 15,839	$ 15,729
Other - Dehcho DEC	-	12,578	1,353
Other - Contributions from GNWT	-	7,000	-
Other	-	2,037	6,520
	15,839	37,454	23,602
Expenditure			
Administration	10,950	18,794	11,958
School programs	2,889	16,438	14,246
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	2,000	698	5,997
	15,839	35,930	32,201
Surplus (Deficit)	-	1,524	(8,599)
Opening equity		4,014	12,613
Closing equity		$ 5,538	$ 4,014
Composition of Closing Equity			
Cash		$ 5,538	$ 4,014
Accounts receivable		-	-
Accounts payable		-	-
		$ 5,538	$ 4,014

KAKISA LAKE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	14,263	75	14,338
Board/Trustee Honoraria	-	-	-	-	3,200	-	3,200
	-	-	-	-	17,463	75	17,538
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-		-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	7,114	-	-	-	872	-	7,986
	7,114	-	-	-	872	-	7,986
Materials/Supplies/Freight							
Materials	9,324	-	-	-	459	623	10,406
Freight	-	-	-	-	-	-	-
	9,324	-	-	-	459	623	10,406
Total	$ 16,438	$ -	$ -	$ -	$ 18,794	$ 698	$ 35,930

Dettah District Education Authority

Consolidated Financial Statements

June 30, 2018

Dettah District Education Authority

Consolidated Financial Statements

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Management Discussion and Analysis

Introduction

Dettah District Education Authority Administration:

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

Current DDEA Members:

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

Acknowledgements:

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

Vision Statement:

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

Mission Statement:

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

Core Strategies:

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

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

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

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

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.

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

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

- The principal 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

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 ten 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

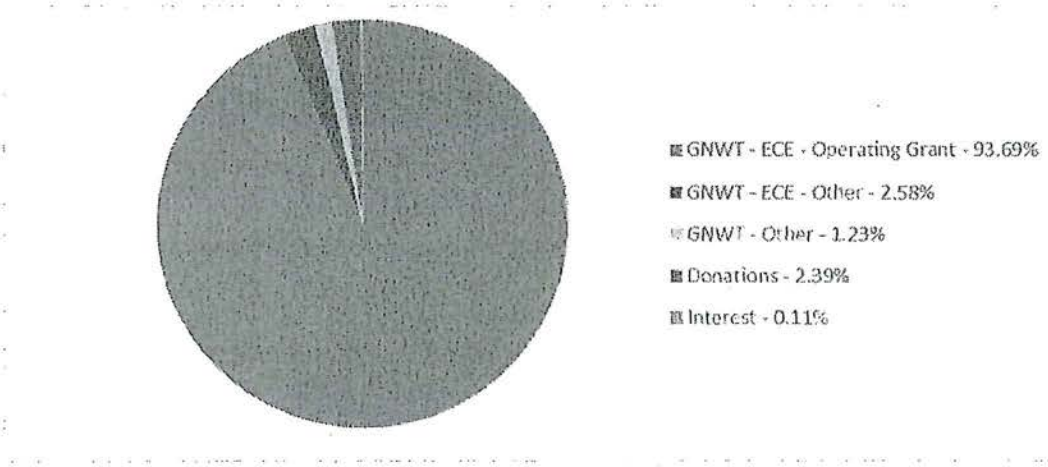
- The Dettah District Education Authority and school management have carefully managed funds to ensure that a small surplus is available for the future, should enrollment change due to families moving out of the community, or for a low birth year; both of which can cause a major impact on school enrollment

Challenges and Threats:

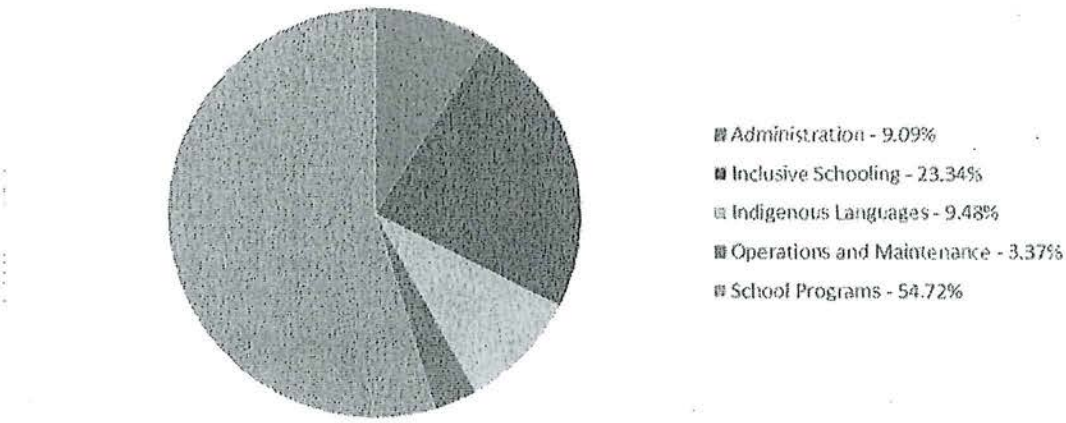
- This year the DEA continued to face financial challenges as many positions or services have either been cut in the funding, or do not receive any funding; examples include a cut to the custodian position, bus funding that does not provide for the actual cost amount, the fee for superintendency services, 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.

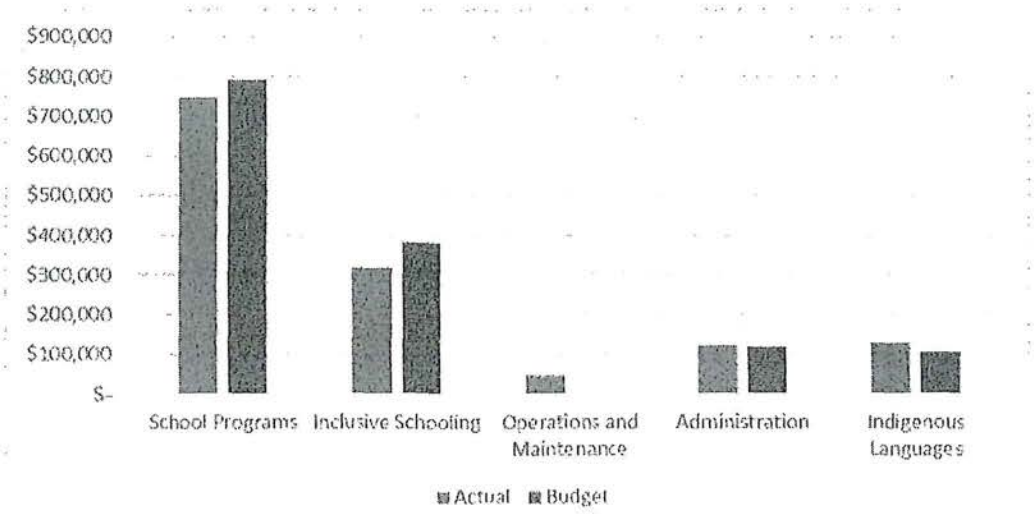
Operating Revenue for the DDEA in 2018



Expenditures by program for the DDEA in 2018



Operating expenditure actuals compared to budget for DDEA in 2018



Financial Condition

The Authority's financial assets decreased from $500,377 to $456,356. This year the net financial assets (financial assets less liabilities) were $297,553 compared to $279,828 in the prior year indicating a stronger financial position.

The Authority had an operating surplus of $17,725 for the year compared to an operating surplus of $86,171 in the prior year. The decrease in 2017-18 surplus compared to 2016-17 can be attributed to the decrease in ECE contributions due to decreased enrolment. The accumulated surplus at year end is $297,553.

Accounts payable and accrued liabilities have decreased from $49,191 to $44,794 due to the timing of payments at year end.

The Yellowknife Education District #1 Payable decreased from $139,594 to $82,699. The decrease is due to the Authority having less staff on payroll in 2018 compared to the prior year as a result of the two employees on maternity leave.

Dettah DEA received 97% (2017 - 97%) of its funding from the GNWT. The core funding decreased from $1,373,283 to $1,296,264 in the current year. Other revenue in the current year mainly consists of donations from Dominion Diamond Corporation of $25,000.

Summary and Outlook

Achievements and Successes:

- Students in need of speech support has continued to grow; yet students received one-on-

one support on a daily basis to improve their skills

- School staff remained consistent; with over 50% of employees being employed at the school for five years or longer; with most staff on maternity leave or covering maternity leave returning for the 2017-2018 school year
- Attendance of community members and family members at school events continued to increase

Top Priority Challenges for the Coming Year:

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

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

Management's Responsibility for Financial Reporting

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2018

The Management Discussion and Analysis, Consolidated 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

Lea Lamouree (Principal)
Superintendent
Dettah District Education Authority

~~Comptroller~~ DEA Vice Chair + Finance Comm. Member
Dettah District Education Authority

September 28, 2018

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Independent Auditors' Report

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

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Dettah District Education Authority (the "Authority") which comprise the Consolidated Statement of Financial Position as at June 30, 2018 and the Consolidated Statement of Changes in Net Assets, Consolidated Statements of Operations and Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Opinion
In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Dettah District Education Authority as at June 30, 2018 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards

Report on Other Legal and Regulatory Requirements
We further report, in accordance with the *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 Dettah District Education Authority, 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 Dettah District Education Authority.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 28, 2018

Chartered Professional Accountants

Dettah District Education Authority

Consolidated Statement of Financial Position

As at June 30,	2018	2017
Financial Assets		
Cash and cash equivalents (Note 4)	**$ 456,356**	$ 500,377
Liabilities		
Accounts payable and accrued liabilities (Note 10)	44,794	49,191
Payroll liabilities (Note 10)	3,048	3,082
Leave and termination benefit (Note 17)	28,262	28,682
Due to Yellowknife Education District #1 (Note 24)	82,699	139,594
	158,803	220,549
Accumulated Surplus	**$ 297,553**	$ 279,828

Contractual obligations and contingencies (Note 22 and 23)

Approved on behalf of the Education Authority

Chairperson

Principal

Dettah District Education Authority

Consolidated Statement of Operations

For the year ended June 30,	2018 Budget (unaudited)	2018 Actual	2017 Actual
Revenues			
Government of the NWT			
ECE Regular Contributions	$ 1,296,267	$ 1,296,264	$ 1,373,283
ECE Other Contributions (Note 31)		35,700	3,167
Total ECE	1,296,267	1,331,964	1,376,450
MACA Other Contributions (Note 32)	6,400	17,000	15,300
Total GNWT	1,302,667	1,348,964	1,391,750
Education Body Generated Funds			
Donations	3,000	33,084	36,973
Investment Income	-	1,588	518
Total Generated Funds	-	34,671	37,492
Total Revenues	**$ 1,305,667**	**$ 1,383,635**	$ 1,429,242
Expenditures			
Administration (Schedule 1)	120,500	124,115	144,558
School Programs (Schedule 1)	791,580	747,425	879,920
Inclusive Schooling (Schedules 1 and 4)	384,000	318,747	142,236
Operations and Maintenance (Schedule 1)	-	46,081	33,149
Indigenous Languages (Schedules 1 and 2)	104,250	129,543	143,208
	$ 1,400,330	**$ 1,365,911**	$ 1,343,071
Operating Surplus (deficit) before other items	**(94,663)**	**17,724**	86,171
Other Items			
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)**
Operating Surplus (deficit)	**(94,663)**	**17,724**	86,171
Opening Accumulated Surplus	**279,828**	**279,828**	193,657
Closing Accumulated Surplus	**$ 185,165**	**$ 297,552**	$ 279,828

Dettah District Education Authority

Consolidated Statement of Changes in Net Assets

For the year ended June 30,	2018	2017
Operating surplus	$ 17,724	$ 86,171
Net assets, beginning of year	279,828	193,657
Net assets, end of year	$ 297,552	$ 279,828

Dettah District Education Authority

Consolidated Statement of Cash Flows

For the year ended June 30,	2018	2017
Cash provided by (used in):		
Operating transactions		
Operating surplus (deficit)	**$ 17,724**	$ 86,171
Changes in non-cash assets and liabilities		
Increase (decrease) accounts payable	(4,398)	7,541
Increase (decrease) payroll liabilities	(32)	2,140
Increase (decrease) due to Yellowknife District Education #1	(56,895)	(68,666)
Increase (decrease) post employment benefits	(420)	28,682
	(61,745)	**(30,303)**
Cash provided by (used in) operating transactions	**(44,021)**	55,868
Increase (decrease) in cash and cash equivalents	**(44,021)**	55,868
Cash and cash equivalents at beginning of year	**500,377**	444,509
Cash and cash equivalents at end of year (Note 4)	**$ 456,356**	$ 500,377

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 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 the basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recorded when they are incurred.

(b) Cash and Cash Equivalents

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

2. Significant Accounting Policies (continued)

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an 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 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.

2. Significant Accounting Policies (continued)

(f) Revenue Recognition

Government Transfers:

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

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

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

GNWT - Regular Contributions:

The regular contributions from the GNWT is determined by a funding formula, based on student enrolment and price and volume fluctuation, and is received in monthly installments. The Authority retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the GNWT. The contribution revenue is recognized when received or receivable.

Other contributions

The 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.

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 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.

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) 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 statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.

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.

Operations and Maintenance: pertains to the operation and maintenance of all facilities.

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

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.

3. Future Accounting Changes

Restructuring Transactions, Section PS 3430
This section establishes standards on how to record assets, liabilities, revenues and expenses related to restructuring transactions as well as disclosure requirements for the recipient and transferor. This Section applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

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.

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 Dettah District Education Authority in the future.

4. Cash and Cash Equivalents

	2018	2017
Cash and cash equivalents	**$ 456,356**	$ 500,377

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

	2018	2017
Trade payable	$ 44,794	$ 49,191
Payroll liabilities	3,049	3,082
	$ 47,843	$ 52,273

11. Deferred Revenue

The Education Authority does not have any deferred revenue.

12. Contributions Repayable

The Education Authority does not have any contributions repayable.

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 $166,787 for January 2018, and $165,077 for January 2017. The maximum monthly contributions is $2,944 for January 2018, and $2,914 for January 2017.

NEBS is an employer owned program and as such the Education Authority will be liable for its portion of any shortfall. The Plan serves 3033 Employee Members and 107 Employer Members (total active, disabled and on leave 1,863).

As of January 1, 2018, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $24,000,000 - funded ratio 113% (2017 - $16,600,000 and 110%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $110,840,600 and a solvency ratio of 66%. 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.

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.

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, 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 March 31, 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 Authority.

	Severance and Removal	Compensated Absences	2018
Changes in Obligations			
Accrued benefit obligation, beginning of year	$ 20,506	$ 8,176	$ 28,682
Current period benefit cost	1,806	673	2,479
Interest accrued	661	262	923
Benefits payments	-	(3,185)	(3,185)
Actuarial (gain)/loss	(8,435)	-	(8,435)
Accrued benefit obligations end of year	**14,538**	**5,926**	**20,464**
Unamortized net actuarial loss	6,884	914	7,798
Accrued benefit liability	**21,422**	**6,840**	**28,262**
Benefit expenses			
Current service costs	1,806	672	2,478
Interest costs	661	262	923
Amortization of actuarial gains	221	323	544
	$ 2,688	**$ 1,257**	**$ 3,945**

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 3.80%, (2017 - 3.3%). The expected payments during the next five fiscal years are:

	Severance and removal	Compensated absences	Total
2019	$ 3,643	$ 1,469	$ 5,112
2020	3,461	1,436	4,897
2021	4,258	1,775	6,033
2022	2,842	949	3,791
2023	1,999	506	2,505
2024 - 2029	5,528	647	6,175
Total	**$ 21,731**	**$ 6,782**	**$ 28,513**

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

	Cost	Accumulated Amortization	**2018 Net Book Value**	2017 Net Book Value
Kaw Tay Whee	$ 895,327	$ 484,752	**$ 410,575**	$ 452,685

Rent expense of $42,110 (2017 - $42,111) was offset by a grant in-kind.

22. Contractual Obligations

The Education Authority does not have any contractual obligations.

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.

Due to Related Party

	2018	2017
Yellowknife Education District #1	**$ 82,699**	$ 139,594

Revenues from Related Parties

	2018	2017
Government of the Northwest Territories		
Department of Education, Cultural and Employment	$ 1,331,964	$ 1,376,450
Department of Municipal and Community Affairs	$ 17,000	$ 15,300

Expenses Paid to Related Parties

	2018	2017
Yellowknife Catholic Schools	$ 266,147	$ 271,189
Yellowknife Education District #1	$ 49,094	$ 43,490

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.

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 $456,356 (2017 - $500,377).

b) Liquidity risk

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

The Authority's maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities, payroll liabilities and amounts due to Yellowknife Education District #1 for a total $130,542 (2017 - $191,867).

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

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

27. Financial Instruments (continued)

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

Financial assets	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	$ 456,356	$ -	$ -	$ -
Total financial assets	**$ 456,356**	**$ -**	**$ -**	**$ -**
Total financial assets - prior year	$ 500,377	$ -	$ -	$ -

Financial liabilities	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	$ 44,794	$ -	$ -	$ -
Due to Yellowknife Education District #1	82,699	-	-	-
Accrued payroll liabilities	3,049	-	-	-
Total financial liabilities	**$ 130,542**	**$ -**	**$ -**	**$ -**
Total financial liabilities - prior year	$ 191,867	$ -	$ -	$ -
Net total	**$ 325,814**	**$ -**	**$ -**	**$ -**
Net total - prior year	$ 308,510	$ -	$ -	$ -

28. Expenditures By Object

	2018 Budget	**2018 Actual**	2017 Actual
Compensation	$ 889,250	$ 765,171	$ 884,769
Materials and freight	67,880	91,479	71,425
Services purchased or contracted	443,200	509,261	386,877
	$ 1,400,330	**$ 1,365,911**	$ 1,343,071

29. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2018 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

		2018		2017
Government of the Northwest Territories - Department of Education, Culture and Employment				
Community Support	$	11,000	$	-
Safe Schools Cameras		24,700		-
Other		-		3,167
	$	**35,700**	$	3,167

32. GNWT Other Contributions

		2018		2017
Government of the Northwest Territories				
Department of Municipal and Community Affairs- After School Physical Activity Program	**$**	**17,000**	$	15,300

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 - Consolidated Details of Expenditures

For the year ended June 30,	School Programs	Operations and Maintenance	Administration	Indigenous Languages	Inclusive Schooling	Other	Total 2018	Budget 2018	Total 2017
Salaries									
Teachers	$ 157,374	$ -	$ 20,163	$ -	$ 266,679	$ -	$ 444,216	$ 563,500	$ 540,283
Instructional assistant	-	-	-	-	-	-	-	96,750	-
YK1 superintendent	-	-	27,500	-	-	-	27,500	-	27,500
Non-instructional staff	-	45,939	-	115,242	-	-	161,181	211,000	156,307
Board/Trustee honoraria	6,244	-	5,770	-	-	-	12,014	18,000	13,798
Total salaries	163,618	45,939	53,433	115,242	266,679	-	644,911	889,250	737,888
Employee benefits									
Employee benefits and allowances	60,410	-	7,489	10,535	42,246	-	120,680	-	118,199
Leave and termination benefits	(9,599)	142	(651)	1,907	7,781	-	(420)	-	28,682
Total employee benefits	50,811	142	6,838	12,442	50,027	-	120,260	-	146,881
Services Purchased or Contracted									
Advertising	18,689	-	-	1,600	-	-	20,289	17,000	13,969
Art and physical education	-	-	-	-	-	-	-	-	115
Contracted services	266,147	-	27,154	-	-	-	293,301	281,300	248,708
Maintenance and upgrades	33,647	-	299	-	-	-	33,946	-	5,953
Other	18,023	-	34,390	-	-	-	52,413	32,000	46,470
Postage and communications	-	-	-	-	-	-	-	7,000	178
Rental/leases	-	-	-	-	-	-	-	10,000	-
Professional and technical services	28,977	-	1,948	-	-	-	30,925	32,900	6,532
Student transportation (busing)	78,387	-	-	-	-	-	78,387	63,000	64,952
Total Services Purchased or Contracted	443,870	-	63,791	1,600	-	-	509,261	443,200	386,877
Materials and Freight									
Freight	-	-	53	-	-	-	53	-	-
Materials	89,126	-	-	259	2,041	-	91,426	67,880	71,425
Total Materials and freight	89,126	-	53	259	2,041	-	91,479	67,880	71,425
Total Expenditures	**$ 747,425**	**$ 46,081**	**$ 124,115**	**$ 129,543**	**$ 318,747**	**$ -**	**$ 1,365,911**	$ 1,400,330	$ 1,343,071

Dettah District Education Authority

Schedule 2
Details of Indigenous Language and Culture Program Expenditures

For the year ended June 30, **2018**

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Non-instructional staff	$ 115,242	$ -	$ -	$ -	$ 115,242
Employee Benefits					
Employee benefits and allowances	10,535	-	-	-	10,535
Leave and termination benefits	1,907	-	-	-	1,907
	12,442				12,442
Services Purchased or Contracted					
Advertising	1,600	-	-	-	1,600
Materials/Supplies/Freight					
Materials	259	-	-	-	259
Total	**$ 129,543**	**$ -**	**$ -**	**$ -**	**$ 129,543**

Dettah District Education Authority

Schedule 3
Indigenous Languages

	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	Total
Revenue			
GNWT ECE funding	**$ 66,127**	**$ 38,080**	**$ 104,207**
Expenses			
Salaries	89,318	38,050	127,368
Employee benefits	8,338	6,431	14,769
Services Purchased or Contracted	259	-	259
	97,915	**44,481**	**142,396**
Net Deficit	**$ (31,788)**	**$ (6,401)**	**$ (38,189)**

Dettah District Education Authority

Schedule 4
Details of Inclusive Schooling Expenditures

For the year ended June 30, **2018**

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	$ -	$ -	$ -	$ -	$ -	$ -	$ 266,679	$ 266,679
Employee Benefits								
Employee benefits and allowances	-	-	-	-	-	-	42,246	42,246
Leave and termination benefits	-	-	-	-	-	-	7,781	7,781
	-	-	-	-	-	-	50,027	50,027
Materials/Supplies/Freight								
Materials	-	-	-	-	-	-	2,041	2,041
Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 318,747**	**$ 318,747**

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Financial Statements

June 30, 2018

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Financial Statements

June 30, 2018

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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 2017-18 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
Cecilie Beaulieu	Vice Chair Person
Muriel Betsina	Trustee
Sarah Erasmus	Trustee
George Goulet	Trustee
Nyra Mackenzie	Trustee
Vacant Position	Trustee

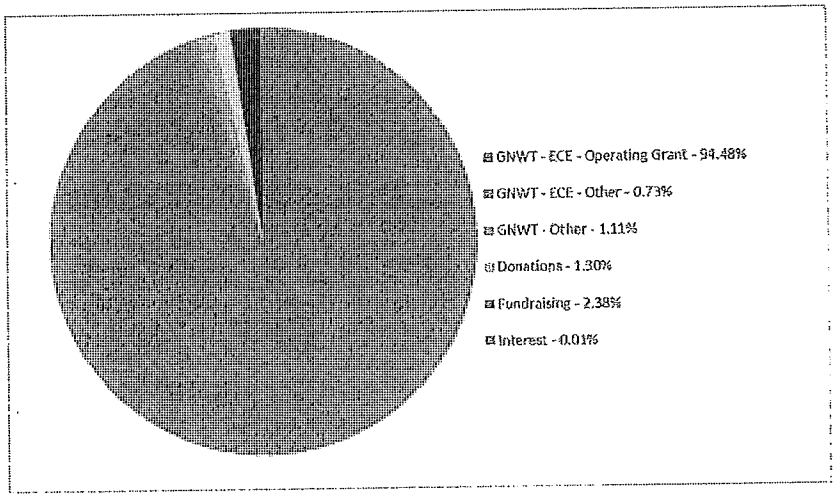
Dettah District Education Authority Administration:

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

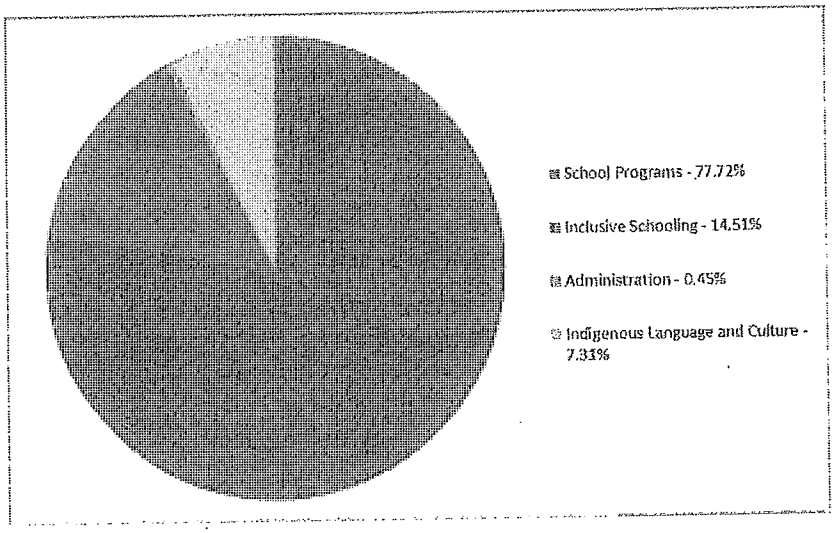
Key Financial Highlights

- In 2017-18, KDS had an enrollment of 111 full time students from junior kindergarten to grade 12. For the past 5 years enrollment has fluctuated between 105 to 115 students.
- The NDEA has a surplus of $851,734. This increased from $691,635 in 2017. 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. Some positions are funding by ECE's school funding formula, but the NDEA feels these positions are required to deliver quality programming like the Food Service Assistant and Resiliency and Leadership Coordinator.
- KDS has a low turnover rate for staff with approximately 75% of staff remaining for the new year.
- The school has 8 classrooms with varying grade levels. All classrooms are multi-grade splits.
- KDS was able to lower its expenditures in the school program budget which helped cover overages in both Inclusive Schooling and Indigenous Language and Culture expenditures.

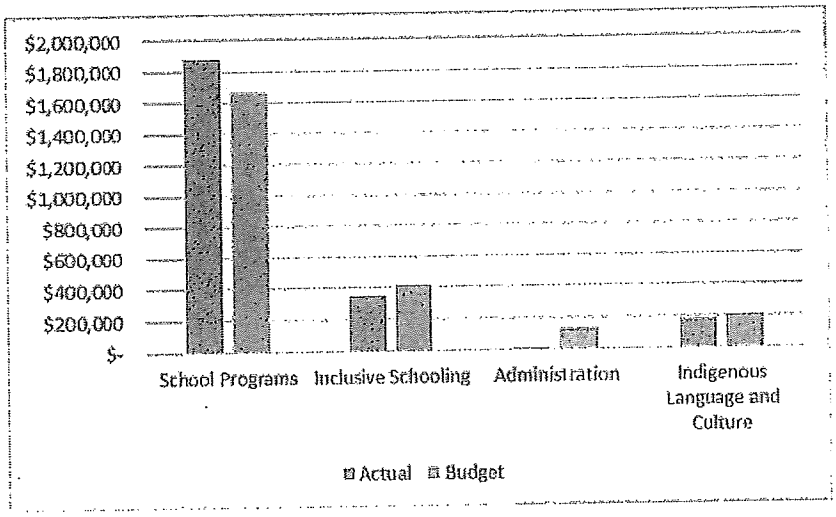
Operating Revenue for the NDEA in 2018



Expenditures by program for the NDEA in 2018



Operating expenditure actuals compared to budget for NDEA in 2018



NDEA Enrolment (FTE) by school and by grade as of September 30, 2017

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

During the 2017-18 school year, the NDEA employed:

Positions	Number of staff
Classroom Teachers	8.5
Language Instructor/Elder*	0.5
Indigenous Language and Culture Coordinator	1
PST	1
Educational Assistants	3
Food Service Assistant*	0.7
Bus Driver*	0.7
Custodian*	0.7
Resiliency Coordinator*	1
Administrative Assistant	1
Principal/Regional Inclusive Coordinator	1
Total NDEA Staff	19.1

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, Indigenous Language and Culture Coordinator and Language Instructor. 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.

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 is exploring to the viability of a Flexible Schedule High 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. 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.

Weaknesses and Threats

As identified by the Early Development Instrument (EDI) and Middle Development Instrument (MDI), many of our students enter school with vulnerablities 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.

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 decreased from $1,418,537 to $1,387,766. This year the net financial assets (financial assets less liabilities) were $847,438 compared to $686,653 in the prior year.

The Authority had an operating surplus of $160,099 for the year. This surplus is mainly attributed a decrease in salary expenditures. The Authority managed to decrease its expenditures from the prior year by more than the revenue decrease, resulting in an operating surplus in 2018 instead of the operating deficit in 2017. The accumulated surplus at year end is $851,734.

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 decreased from $623,740 to $449,904. The decrease is a result of the Authority having newer, less experienced staff that would not be as high on the salary grid compared to 2017.

In 2018, the NDEA received 95% of its funding from the GNWT. The core funding increased from $2,391,000 to $2,438,063 in the current year. Other revenue in the current year of funding mainly consists of donations and fundraising efforts for high school travel.

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, 2018

The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of K'alemi Dene School ("the 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
Metro Huculak

September 27, 2018

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Independent Auditors' Report

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

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of K'alemi Dene School ("the Education Authority"), which comprise of the consolidated statement of financial position as at June 30, 2018, and the consolidated statements of operations, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Education Authority's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Education Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Education Authority as at June 30, 2018, and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements
We 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 K'alemi Dene School, 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 K'alemi Dene School.

Crowe Mackay LLP

Chartered Professional Accountants

Yellowknife, Northwest Territories
September 27, 2018

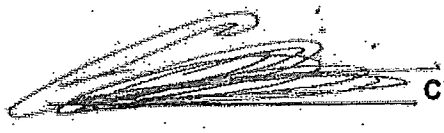
K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2018	2017
Financial Assets		
Cash and cash equivalents (Note 4)	$ 1,305,675	$ 1,307,886
Portfolio investments (Note 7)	76,500	66,500
Due from Government of Canada (Note 13)	5,116	43,651
Accounts receivable (Note 8)	475	500
	1,387,766	1,418,537
Liabilities		
Accounts payable and accrued liabilities (Note 10)	50,499	74,362
Payroll liabilities (Note 10)	449,904	623,740
Leave and termination benefits (Note 17)	39,925	33,782
	540,328	731,884
Net Assets	**847,438**	686,653
Non-Financial Assets		
Prepaid expenses (Note 20)	**4,296**	4,982
Accumulated Surplus	**$ 851,734**	$ 691,635
Represented By:		
Operating Fund	**$ 851,734**	$ 691,635

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)

Consolidated Statement of Operations

For the year ended June 30,	2018 Budget (unaudited)	2018 Actual	2017 Actual
Revenue			
Government of the Northwest Territories (GNWT)			
ECE Regular contributions	$2,423,062	$2,438,063	$2,391,000
ECE Other contributions (Note 31)	-	18,864	12,320
Total ECE	-	**2,456,927**	2,403,320
GNWT Other contributions (Note 32)	-	**28,566**	27,300
Education authority generated funds			
Donations	-	33,480	48,960
Fundraising	-	61,317	65,281
Recovery from YKDFN	-	-	118,046
Interest income	-	224	-
	2,423,062	**2,580,514**	2,662,907
Expenditures			
School programs (Schedule 1)	1,667,475	1,881,245	1,957,890
Inclusive schooling (Schedule 2)	416,182	351,292	436,102
Administration (Schedule 1)	133,000	10,853	28,428
Indigenous Language and Culture (Schedule 3)	206,267	177,025	226,239
	2,422,924	**2,420,415**	2,648,659
Operating surplus before other items	138	**160,099**	14,248
Other items			
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)
	-	-	-
Operating surplus	138	**160,099**	14,248
Opening accumulated surplus	691,635	**691,635**	677,387
Closing accumulated surplus	$ 691,773	**$ 851,734**	$ 691,635

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Changes in Net Assets

For the year ended June 30,	2018	2017
Operating surplus	$ 160,099	$ 14,248
Change in prepaid expenses	686	(4,982)
Increase in net assets	160,785	9,266
Net assets, beginning of year	686,653	677,387
Net assets, end of year	$ 847,438	$ 686,653

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Cash Flows

For the year ended June 30,	2018	2017
Cash provided by (used in):		
Operating Activities		
Operating surplus	**$ 160,099**	$ 14,248
Change in non-cash assets and liabilities		
Decrease (increase) in accounts receivable	25	110,153
Increase (decrease) in accounts payable and accrued liabilities	(23,862)	71,609
Increase (decrease) in payroll liabilities	(173,837)	(360,662)
Increase (decrease) in leave and termination benefits	6,143	33,782
Decrease (increase) in amounts due from Government of Canada	38,535	(10,285)
Decrease (increase) in prepaid expenses	686	(4,982)
	(152,310)	(160,385)
Cash provided by (used in) operating transactions	**7,789**	(146,137)
Investing Activity		
Acquisition of portfolio investments	**(10,000)**	(66,500)
Increase (decrease) in cash and cash equivalents	**(2,211)**	(212,637)
Cash and cash equivalents, beginning of year (Note 4)	**1,307,886**	1,520,523
Cash and cash equivalents, end of year (Note 4)	**$ 1,305,675**	$ 1,307,886

K'alemi Dene School

Schedule 1
Consolidated Details of Expenditures

For the year ended June 30,

	School Programs (Schedule 1)	Inclusive Schooling (Schedule 2)	Administration (Schedule 1)	Indigenous Language and Culture Programs (Schedule 3)	2018 Total	2018 Budget (unaudited)	2017 Total
Salaries							
Teachers' salaries	$ 916,432	$ 206,629	$ -	$ 122,747	$ 1,245,808	$ 1,785,816	$ 1,313,074
Instruction assistants	121,945	61,160	-	6,047	189,152	-	249,020
Non-Instructional staff	229,050	-	-	3,915	232,965	171,250	215,849
Board/Trustee honoraria	2,050	-	5,275	1,200	8,525	18,000	11,938
Total Salaries	**1,269,477**	**267,789**	**5,275**	**133,909**	**1,676,450**	**1,975,066**	1,789,881
Employee Benefits							
Employee benefits and allowances	187,727	61,439	-	19,554	268,720	16,858	293,251
Leave and termination benefits	4,336	1,084	-	723	6,143	-	33,782
Total Employee Benefits	**192,063**	**62,523**	**-**	**20,277**	**274,863**	**16,858**	327,033
Services Purchased or Contracted							
Advertising/printing/publishing	-	-	-	-	-	-	2,594
Electricity	2,670	-	-	-	2,670	-	2,810
Insurance and permits	6,688	-	-	50	6,738	-	1,614
Interest and bank charges	164	-	942	-	1,106	-	1,147
Maintenance and repairs	31,190	-	-	300	31,490	71,000	65,299
Other contracted services	-	-	-	-	-	10,000	1,008
Postage/communication	10,333	-	-	-	10,333	10,000	8,943
Professional/technical services	93,486	15,370	3,789	18,322	130,967	150,000	147,338
Rentals/leases	21,330	-	-	-	21,330	25,000	15,123
Student transportation (busing)	21,116	-	-	-	21,116	-	21,728
Travel	36,521	164	145	64	36,894	-	48,854
Bad debts expense (recovery)	500	-	-	-	500	-	-
Water/sewage	-	-	-	-	-	-	1,337
Total Services Purchased or Contracted	**223,998**	**15,534**	**4,876**	**18,736**	**263,144**	**266,000**	317,795
Total Materials/Supplies/Freight	**195,707**	**5,446**	**702**	**4,103**	**205,958**	**165,000**	213,950
Total Expenditures	**$ 1,881,245**	**$ 351,292**	**$ 10,853**	**$ 177,025**	**$ 2,420,415**	**$ 2,422,924**	$ 2,648,659

K'alemi Dene School

Schedule 2
Details of Inclusive Schooling Expenditures

For the year ended June 30, 2018

	General Inclusive Schooling	Total
Salaries		
Program support teachers	$ 206,629	$ 206,629
Support assistants	61,160	61,160
	267,789	**267,789**
Employee Benefits	**62,523**	**62,523**
Services Purchased/Contracted		
Professional/technical services	15,370	15,370
Travel	164	164
	15,534	**15,534**
Materials/Supplies/Freight	**5,446**	**5,446**
Total	**$ 351,292**	**$ 351,292**

K'alemi Dene School

Schedule 3
Details of Indigenous Language and Culture Program Expenditures

For the year ended June 30, 2018

	Student Instruction	Total
Salaries		
Teachers' salaries	$ 122,747	$ 122,747
Language consultants	6,047	6,047
Instruction assistants	3,915	3,915
Non-instructional staff	1,200	1,200
	133,909	**133,909**
Employee Benefits	**20,277**	**20,277**
Services Purchased/Contracted		
Insurance and permits	50	50
Maintenance and repairs	300	300
Professional/technical services	18,322	18,322
Travel	64	64
	18,736	**18,736**
Materials/Supplies/Freight	**4,103**	**4,103**
Total	**$ 177,025**	**$ 177,025**

K'alemi Dene School

Schedule 4
Indigenous Language and Culture

For the year ended

	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	Total
Revenue			
GNWT Education, Culture and Employment	$ 123,795	$ 71,429	$ 195,224
GNWT Health and Social Services	-	2,150	2,150
	123,795	**73,579**	**197,374**
Expenditures			
Salaries	81,108	52,801	133,909
Employee benefits	10,639	12,839	23,478
Services purchased/contracted	13,357	6,669	20,026
Materials/supplies/freight	1,403	1,410	2,813
	106,507	**73,719**	**180,226**
Surplus (deficit)	**$ 17,288**	**$ (140)**	**$ 17,148**

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

(b) Cash and Cash Equivalents

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

(c) Financial Instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an 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 and accounts receivable.

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

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.

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 $40,468 (2017 - $43,781).

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 Consolidated Statement of Operations. The fair value of these services is $20,500 (2017 - $21,500).

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.

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 consolidated financial statements reflects the Minister approved budget for the school year.

(h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the amounts of revenue and expenses during the period. Actual results could differ from 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.

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 Consolidated 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.

2. Significant Accounting Policies (continued)

(p) Liability for Contaminated Sites

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.

Operations and Maintenance: pertains to the operation and maintenance of all YCS buildings and maintenance shop facilities.

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

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 exits; 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, 2018.

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.

3. Future Accounting Changes

Restructuring Transactions, Section PS 3430
This new section establishes standards on how to record assets, liabilities, revenues and expenses related to restructuring transactions as well as disclosure requirements for the recipient and transferor. This Section applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

Foreign Currency Translation, Section PS 2601
This section is replacing existing Section PS 2600, Foreign Currency Translation. Governments should adopt Section PS 2601 in the same fiscal year Section PS 3450, Financial Instruments, is adopted. This Section is effective for fiscal periods beginning on or after April 1, 2019. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management and is not considered significant.

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

4. Cash and Cash Equivalents

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

5. Special Purpose Funds

The 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 $76,500 one-year guaranteed investment certificate (GIC) with the Royal Bank of Canada (RBC). The GIC has an interest rate of 0.500% (2017 - 0.500%) per annum and matures on July 26, 2018.

8. Accounts Receivable

	Accounts Receivable 2018	Allowance 2018	**Net 2018**	Net 2017
Due from GNWT	$ 475	$ -	$ 475	$ 500

9. Inventories

The Education Authority does not have inventories.

10. Accounts Payable and Accrued Liabilities

	2018	2017
Trade	$ 50,499	$ 74,362
Payroll liabilities	449,904	623,740
	$ 500,403	$ 698,102

11. Deferred Revenue

The Education Authority does not have deferred revenue.

12. Contribution Repayable

The Education Authority does not have contribution repayable.

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

	2018	2017
Goods and Services Tax receivable	**$ 5,116**	$ 43,651

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 $166,787 for January 2018, and $165,077 for January 2017. The maximum monthly contributions is $2,944 for January 2018, and $2,914 for January 2017.

NEBS is an employer owned program and as such the Education Authority will be liable for its portion of any shortfall. The Plan serves 3,033 Employee Members and 107 Employer Members (total active, disabled and on leave 1,863).

As of January 1, 2018, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $24,000,000 - funded ratio 113% (2017 - $16,600,000 and 110%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $110,840,600 and a solvency ratio of 66.0%. 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.

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.

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, 2017 to June 30, 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, 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 Education Authority.

	Severance and Removal	Compensated Absences	2018	2017
Changes in Obligation				
Accrued benefit obligation, beginning of year	$ 29,144	$ 8,750	$ 37,894	$ 27,417
Current period benefit cost	3,364	916	4,280	3,959
Interest accrued	1,036	315	1,351	972
Benefits payments	-	-	-	(174)
Actuarial (gains)/losses	(3,436)	(714)	(4,150)	4,112
Plan amendments	-	-	-	1,608
Accrued benefit obligation, end of year	**30,108**	**9,267**	**39,375**	37,894
Unamortized net actuarial gain/(loss)	**112**	**438**	**550**	(4,112)
Accrued benefit liability	**$ 30,220**	**$ 9,705**	**$ 39,925**	$ 33,782

17. Post Employment Benefits (continued)

	Severance and Removal	Compensated Absences	2018	2017
Benefit expenses				
Current service cost	$ 3,364	$ 946	$ 4,310	$ 3,958
Interest costs	1,036	315	1,351	972
Amortization of actuarial gains	473	39	512	-
	$ 4,873	**$ 1,300**	**$ 6,173**	**$ 4,930**

The discount rate used in the 2018 fiscal year to determine the accrued benefit obligation was an average of 3.8% (2017 - 3.3%). The expected payments during the next ten fiscal years are:

	Severance and Removal	Compensated Absences	Total
2019	$ 2,431	$ 236	$ 2,667
2020	2,964	477	3,441
2021	3,890	1,078	4,968
2022	4,072	998	5,070
2023	3,731	824	4,555
2024-2028	18,114	4,646	22,760
	$ 35,202	**$ 8,259**	**$ 43,461**

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

	2018	2017
Vehicle licenses and insurance	**$ 4,296**	$ 4,982

21. GNWT Tangible Capital Assets Provided At No Cost

	Cost	Accumulated Amortization	**2018 Net Book Value**	2017 Net Book Value
Buildings	$ 9,066,125	$ 1,926,551	**$ 7,139,574**	$ 7,366,227

Rent expense of $226,653 (2017 - $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, 2018

	Expires in Fiscal Year	2019
Equipment lease	2019	$ 6,792
Contract for superintendent services	2019	30,000
		$ 36,792

23. Contingencies

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

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 consolidated financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage, payroll services and internal audit services by the Department of Finance, and utilities and maintenance by Public Works and Services. Transactions with related parties and balances at year-end not disclosed elsewhere in the consolidated financial statements are summarized in this note.

	2018	2017
Due to related parties		
Payroll liabilities		
Yellowknife Education District #1	**$ 416,876**	$ 595,701

	Accounts receivable 2018	Allowance 2018	**Net 2018**	Net 2017
Due from related parties				
Accounts receivable				
Government of the Northwest Territories				
Department of Health and Social Services	475	-	**$ 475**	$ 500

	2018	2017
Revenue from related parties		
Government of the Northwest Territories		
Department of Education, Culture and Employment	$ 2,456,927	$ 2,403,320
Department of Environment and Natural Resources	8,000	8,000
Department of Municipal and Community Affairs	16,800	19,300
Health and Social Services	3,766	-
Total revenues from related parties	**$ 2,485,493**	$ 2,430,620

	2018	2017
Expenses paid to related parties		
Aurora College	$ 200	$ 200
E'cole JH Sissons	285	-
E'cole Sir John Franklin High School	250	-
Yellowknife Education District #1	1,729,113	1,855,345
Total expenses to related parties	**$ 1,729,313**	$ 1,855,545

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 19, 2017 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.

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:

	2018
Cash and cash equivalents	1,305,675
Portfolio investments	76,500
Due from Government of Canada	5,116
Accounts receivable	475
Maximum credit risk exposure	**1,387,766**

At March 31, 2018, 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, 2018 receivables from one customer comprised 100% (2017 - 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.

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 $540,328 (2017 - $731,884).

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:

Financial assets	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	$ 1,305,675	$ -	$ -	$ -
Portfolio investments	76,500	-	-	-
Due from the government of Canada	5,116	-	-	-
Accounts receivable	475	-	-	-
Total assets	**$ 1,387,766**	**$ -**	**$ -**	**$ -**
Total assets - prior year	$ 1,418,537	$ -	$ -	$ -

Financial liabilities	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	$ 50,499	$ -	$ -	$ -
Payroll liabilities	449,904	-	-	-
Leave and termination benefits	39,925	-	-	-
Total liabilities	**$ 540,328**	**$ -**	**$ -**	**$ -**
Total liabilities - prior year	$ 731,884	$ -	$ -	$ -
Net total	**$ 847,438**	**$ -**	**$ -**	**$ -**
Net total - prior year	$ 686,653	$ -	$ -	$ -

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.

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 $76,500 (2017 - $66,500). 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 2018 (Unaudited)	**Actual 2018**	Actual 2017
Compensation	$ 1,991,924	$ 1,951,313	$ 2,116,914
Materials and freight	165,000	205,958	213,950
Services purchased/contracted	266,000	263,144	317,795
	$ 2,422,924	**$ 2,420,415**	$ 2,648,659

29. Subsequent Events

There were no material subsequent events that occurred between June 30, 2018 and the date the audit report was signed.

30. Comparative Figures

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

31. ECE Other Contributions

	2018	2017
Government of the Northwest Territories, Department of Education, Culture and Employment		
Community Support	$ 13,000	$ -
Fundraising	-	4,500
Self Regulation	-	5,300
Drop the Pop	-	1,811
Labour Market Agreement for Persons with Disabilities	4,000	-
Other	1,864	709
	$ 18,864	$ 12,320

32. GNWT Other Contributions

	2018	2017
Department of Municipal and Community Affairs		
After School Activity Program	$ 16,800	$ 15,300
Youth Contributions Program	-	4,000
Department of Environment and Natural Resources		
Take a Kid Trapping Program	8,000	8,000
Department of Health and Social Services		
Drop the Pop Program	1,616	-
Spring on the Land Camp	2,150	-
	$ 28,566	$ 27,300

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, 2018

Sahtu Divisional Education Council

Consolidated Financial Statements

June 30, 2018

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Management Discussion and Analysis (MD&A)

Introduction

The Management's Discussion and Analysis (MD&A) of the Sahtu Divisional Education Council (SDEC) financial performance provides an overall review of the Board's financial activities for the fiscal year ended June 30th 2018. The intent of this discussion and analysis is to attest on a go-forward basis the responsibility of management and the Council Members to promote transparency and accountability. Readers should also review the notes to the financial statements and the financial statements to enhance their understanding of the Sahtu Divisional Education Council financial performance.

What is the SDEC?

The Sahtu Divisional Education Council (SDEC) is responsible, under the Education Act, for all K-12 education in the Sahtu region. There are five schools in the district. In each community, a locally elected District Education Authority (DEA) is responsible for education in that community. The District Education Council (DEC) is made up of one member from each DEA and one chairperson.

As per the Education Act of the Northwest Territories, the SDEC is responsible to provide quality education to the residents of the Sahtu region. It is our hope that by reading this document, members of our community will receive valuable information on the infrastructure of the education system in the North and become involved in their community government.

Mission

To provide excellent educational environments where students will have the opportunity to experience success and contribute to society.

Council of Trustees

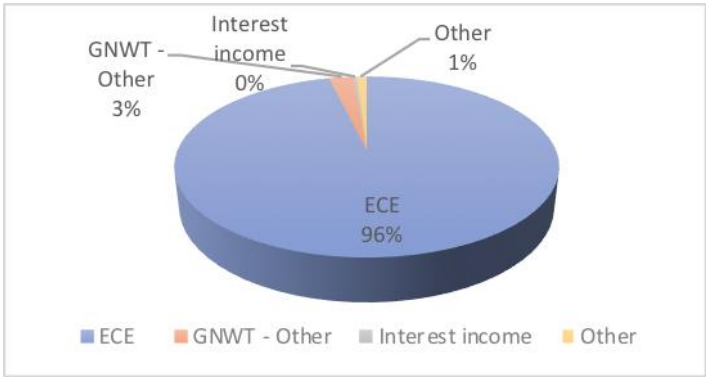
Chairperson
Karea Peachy – Norman Wells

Vice-Chairperson
Sally Ann Horrassi – Tulita

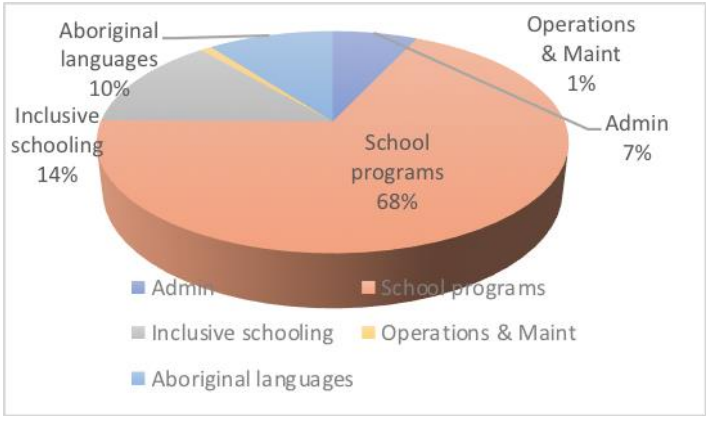
Angela Grandjambe – Fort Good Hope
Trudy Kochon – Colville Lake
Mary Ann Vital – Deline
Vacant – Norman Wells

The management team of the SDEC comprised of the following;
Superintendent – Seamus Quigg
Assistant Superintendent – Renee Closs
Comptroller – Harry Cassie

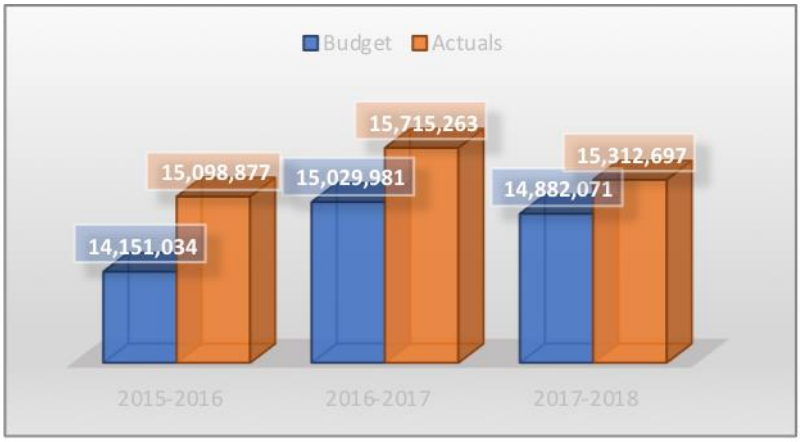
Revenues



Expenditures by Program



Operating Trends
Actual to Budget



Revenues exceeded expenditures for a surplus of (256$k), (2017-($68k)), compared to budget ($68k). This resulted in a surplus fund balance $633k (2017-$377k) as at June 30th 2018. Additional revenues of $831k (2017-$822k) was received resulted in additional expenses incurred compared to budget.
Revenues have been trending positively compared to budget as a result of additional revenue received during the year for new initiatives, this is consistent year over year.

Total Student/Teacher Population by Schools

2018	Students	Teachers
Mackenzie Mountain – Norman Wells	149	11.00
Chief Albert Wright - Tulita	103	8.00
Chief T'Selehye – Fort Good Hope	136	11.00
Ehtseo Ayha – Deline	111	9.00
Coville Lake – Colville Lake	63	6.00
Totals	**562**	**45.00**

Operating Environment

Strengths
Our relatively small Central Office staff of nine have good working relationships and considerable longevity.

Operational systems and procedures are in place, and because of our smaller size, we are very well represented on all territorial educational committees.
Long time staff at the board office, at the school turnover is relatively low, system and manuals in place and a reasonable surplus on hand.

Weakness
Shipping to the Sahtu region is challenging as we have no control over delivery times due to the limited methods of delivery over each season. The most economical way of shipping is via barge but this has been challenging with fewer barge due to lower than normal water levels. The alternative when this happens is to fly in supplies or wait for the winter road season.

Opportunities
There is always the need for additional funding. There is also the opportunity to explore program funding from other GNWT departments.

Threats
The community of Deline, Northwest Territories has ushered in a new era of their history, assuming self-government responsibilities on August 31st 2016. This agreement was 20 years in the making and will mean that the community can enact laws governing areas from municipal services to health and education. While education is not on the front burner at this, these discussions will eventually happen and at this time it is too soon to forecast an outcome. In the meantime, other communities are also engaging in self-government.

Imperial Oil is planning to restart production at the Norman Wells operations following the return to service of the Enbridge pipeline, which transports oil produced at the site to market. It is expected that the field will restart in October.

Financial Condition

The Sahtu DEC is stable adding a surplus in the current year ($256k), compared to a deficit in prior year (2017, ($51k). The closing surplus for the end of the fiscal year June 30, 2018 is $633k (2017, $377k).

Accumulated surplus (deficit) is comprised of the following:	2018	Restated 2017
Accumulated Surplus/ (Deficit), beginning of year	377,298	614,813
Operating Surplus / (Deficit)	167,699	(68,451)
Post - employment benefits	88,428	(169,064)
Accumulated Surplus/ Deficit, end of year	$ 633,425	$ 377,298

The current ratio is a liquidity and efficiency ratio that measures an organization's ability to pay off its short-term liabilities with its current assets. Sahtu DEC current ratio as at June 30th 2018 is .99, (2017, 1.20).

Summary and Outlook

We have continued to implement a very successful mathematics intervention program in all of our schools. Our Program Consultant, Lorraine Kuer, has traveled with an external consultant to all of our schools and provided in-service to our teachers in this initiative.

Play-based programming in Kindergarten and Junior Kindergartens is in place in all of our schools and all of our K and JK teachers have been given in-service in this programming.

Heritage and Science Fairs are being embedded into the regular curriculum and are running well, with much support and enthusiasm from the organizers and participants.

Self regulation has been introduced to all of our schools. This is a way of having students recognize their own behavioral issue and take steps to deal with them appropriately.

We have implemented a year-round calendar in one of our schools, Fort Good Hope. This has been well received by both staff and community.

We continue to struggle with offering a robust High School program in our small schools that have very few High School teachers. We are attempting to address this in a number of ways. In one school, we are piloting a distance education initiative together with ECE and the Beaufort Delta DEC. The start of this initiave has been delayed as a result of the personnel changes. The prinicipals in all three schools have turned over and so the start has been delayed until the second semester.

Teacher turnover has been an issue of late. A lack of personnel continuity is detrimental to school programs. We are hopeful that the recent STIP initiative will improve teacher workload and mental health and reduce turnover.

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

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

S. Quigg

Seamus Quigg
Superintendent
Sahtu Divisional Education Council

Sept 24/
Date

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

09/24/12
Date

ASHTON
Chartered Accountants
Business Advisors

Suite 8 - 6 Courtoreille Street
Hay River, NT X0E 1G2
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FX: (867) 874-3775

INDEPENDENT AUDITORS' REPORT

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

We have audited the consolidated financial statements of the Sahtu Divisional Education Council, which comprise the consolidated statement of financial position as at June 30, 2018, and the consolidated statements of operations and surplus, changes in net assets (debt), and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Basis for Qualified Opinion

The Government of the Northwest Territories is responsible for the calculation and distribution of the Education Body's wages and benefits expenditure for public service employees, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT is properly reflected in the Education Body's records. As a result, we were not able to determine whether any adjustments might be necessary to expenditure, liabilities or accumulated surplus.

Independent Auditor's Report (continued)

Qualified Opinion

In our opinion, except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Sahtu Divisional Education Council as at June 30, 2018, and the results of its financial performance and cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
September 26, 2018

Sahtu Divisional Education Council

Consolidated Statement of Financial Position

June 30, 2018

	2018	2017
FINANCIAL ASSETS		
Cash, Note 4	$ 2,610,687	$ 2,383,751
Special purpose funds, Note 5	399,280	284,044
Accounts receivable, Note 8	579,858	547,629
	$ 3,589,825	$ 3,215,424
LIABILITIES		
Accounts payable and accrued liabilities, Note 10	$ 267,292	$ 151,621
Payroll liabilities, Note 10	1,517,270	1,548,928
Deferred revenue, Note 11	399,280	284,044
Other employee future benefits and compensated absences, Note 17	1,520,357	1,608,785
	3,704,199	3,593,378
Net Financial Assets (Deficit)	$ (114,374)	$ (377,954)
NON-FINANCIAL ASSETS		
Prepaid expenses, Note 20	$ 19,360	$ 26,813
ACCUMULATED SURPLUS (DEFICIT)	$ (95,014)	$ (351,141)

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, 2018

	Budget 2018	Actual 2018	Actual 2017
Revenue			
Government of the Northwest Territories			
ECE Regular Contributions	$ 14,276,421	$ 14,317,648	$ 14,875,399
Teaching and Learning Centres	58,000	307,000	58,000
French Language Instruction	55,000	55,000	55,000
ECE Other Contributions, Note 31	55,000	53,077	180,717
Total ECE	14,444,421	14,732,725	15,169,116
GNWT Other Contributions, Note 32	-	377,575	403,276
Total GNWT	$ 14,444,421	$ 15,110,300	$ 15,572,392
Education council generated funds			
Interest income	25,000	51,186	25,839
Other	12,650	151,211	117,032
	37,650	202,397	142,871
	14,482,071	15,312,697	15,715,263
Expenses			
Administration	1,181,157	1,057,308	1,623,503
School programs	9,490,041	10,331,123	10,456,331
Inclusive schooling	2,386,703	2,053,991	2,152,768
Operations and maintenance	150,150	140,359	146,342
Aboriginal languages	1,342,217	1,562,217	1,404,770
	14,550,268	15,144,998	15,783,714
Operating Surplus (Deficit) before other item	$ (68,197)	$ 167,699	$ (68,451)
Other item:			
Other employee future benefits and compensated absences, Note 17	-	88,428	17,458
	$ (68,197)	$ 256,127	$ (50,993)
Accumulated surplus (Deficit), beginning of year		$ (351,141)	$ (300,148)
Accumulated surplus (deficit), end of year		$ (95,014)	$ (351,141)

Accumulated surplus (deficit) is comprised of the following:

Accumulated surplus (deficit), end of year	$ (95,014)	$ (351,141)
Post employment benefits Unamortized net actuarial (gain)/loss (Note 17)	728,440	914,961
Amortization of net actuarial (gain)/loss (included in current year deficit)	(96,400)	(106,391)
2018 (increase) decrease in Actuarial (gain)/loss	107,235	(80,131)
Revised accumulated surplus (deficit), end of the year	$ 644,261	$ 377,298

Sahtu Divisional Education Council

Consolidated Statement of Changes in Net Assets (Debt)

For the year ended June 30, 2018

	2018	2017
Annual surplus (deficit)	$ 256,127	$ (50,993)
Change in prepaid expenses	7,453	(11,983)
Increase (decrease) in net financial resources	263,580	(62,976)
Net financial resources, beginning of year	(377,954)	(314,978)
Net financial resources, end of year	$ (114,374)	$ (377,954)

Sahtu Divisional Education Council

Consolidated Statement of Cash Flow

For the year ended June 30, 2018

	2018	2017
Cash provided by (used in):		
Operating Transactions		
Operating Surplus (Deficit)	$ 256,127	$ (50,993)
	256,127	(50,993)
Change in non-cash assets and liabilities:		
Accounts receivable	(32,229)	(213,112)
Accounts payable and accrued liabilities	115,671	(19,556)
Payroll liabilities	(31,658)	(358,161)
Deferred revenue	115,236	16,609
Post-employment benefits	(88,428)	(111,387)
Prepaid expenses	7,453	(11,983)
	86,045	(697,590)
Increase (Decrease) in cash and cash equivalents	342,172	(748,583)
Cash and cash equivalents, beginning of year	2,667,795	3,416,378
Cash and cash equivalents, end of year	$ 3,009,967	$ 2,667,795
Consists of:		
Cash	$ 2,610,687	$ 2,383,751
Special purpose funds	399,280	284,044
	$ 3,009,967	$ 2,667,795

Sahtu Divisional Education Council

Consolidated Detail of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accom.	Operations & Maintenance	Administration	Aboriginal Languages	2018 Total	2018 Budget	2017 Total
Salaries									
Teachers' salaries	$ 7,161,372	$ 809,445	$ -	$ -	$ -	$ 1,157,728	$ 9,128,545	$ 9,410,018	$ 9,278,139
Instruction assistants	5,359	823,939	-	-	-	66,421	895,719	863,961	910,971
Non-instructional staff	1,128,201	265,942	-	-	750,927	-	2,145,070	2,040,058	2,136,036
Board/Trustee honorarium	-	-	-	-	49,926	30,777	80,703	76,000	92,006
	8,294,932	1,899,326	-	-	800,853	1,254,926	12,250,037	12,390,037	12,417,152
Employee Benefits									
Employee benefits and allowances	21,668	-	-	-	-	-	21,668	38,000	26,108
Leave and termination benefits	388,227	-	-	-	-	-	388,227	367,888	1,055,390
	409,895	-	-	-	-	-	409,895	405,888	1,081,498
Services Purchased/Contracted									
Professional services	534,307	32,843	-	-	-	-	567,150	566,713	486,189
Postage and communication	43,227	-	-	-	35,157	-	78,384	36,500	80,687
Utilities		-							
Heating	6,729	-	-	-	-	-	6,729	-	-
Electricity	-	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-	-
Travel	162,926	59,205	-	-	73,328	6,863	302,322	244,000	339,392
Student transportation (busing)	194,500	-	-	-	-	-	194,500	154,500	151,500
Advertising/printing/publishing	3,437	-	-	-	-	-	3,437	2,500	28,968
Maintenance and repair	19,242	-	-	5,700	-	-	24,942	35,000	43,554
Rentals and leases	9,595	-	-	134,659	-	-	144,254	106,750	132,696
Other contracted services	82,379	38,409	-	-	59,613	-	180,401	110,900	180,429
Other	28,525	-	-	-	61,268	41,542	131,335	80,500	124,162
	1,084,867	130,457	-	140,359	229,366	48,405	1,633,454	1,337,363	1,567,577
Materials, Supplies and Freight									
Materials	506,214	21,832	-	-	23,172	249,987	801,205	270,780	680,955
Freight	35,215	2,376	-	-	3,917	8,899	50,407	20,200	36,532
	541,429	24,208	-	-	27,089	258,886	851,612	290,980	717,487
Contributions/Transfers									
Transfers	-	-	-	-	-	-	-	126,000	-
Debt Services									
Other	-	-	-	-	-	-	-	-	-
Total	**$ 10,331,123**	**$ 2,053,991**	**$ -**	**$ 140,359**	**$ 1,057,308**	**$ 1,562,217**	**$ 15,144,998**	$ 14,550,268	$ 15,783,714

SAHTU DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-based Education Expenses

For the year ended June 30, 2018

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	**2018 Total**
Salaries					
ALCBE teachers	$ 1,157,728	$ -	$ -	$ -	$ **1,157,728**
Language consultants	-	-	-	-	**-**
Instruction assistants	66,421	-	-	-	**66,421**
Non-instructional staff	-	-	-	-	**-**
Honoraria	-	-	-	-	**-**
Elders in schools	-	-	-	30,777	**30,777**
	1,224,149	-	-	30,777	**1,254,926**
Employee Benefits					
Employee benefits and allowances	-	-	-	-	**-**
Services Purchased/Contracted					
Professional services	-	-	-	-	**-**
Postage and communication	-	-	-	-	**-**
Travel	5,314	-	-	-	**5,314**
Student transportation (busing)	-	-	-	-	**-**
Advertising, printing and publishing	-	-	-	-	**-**
Maintenance and repairs	-	-	-	-	**-**
Rentals and leases	-	-	-	-	**-**
Other contracted services	10,682	-	30,860	-	**41,542**
	15,996	-	30,860	-	**46,856**
Materials, Supplies and Freight					
Materials	-	233,802	-	1,024	**234,826**
Freight	-	2,413	-	-	**2,413**
	-	236,215	-	1,024	**237,239**
Total	$ 1,240,145	$ 236,215	$ 30,860	$ 31,801	$ **1,539,021**

Sahtu Divisional Education Council

Aboriginal Languages

For the year ended June 30, 2018

	July 1 to March 31	April 1 to June 30	Total
Contribution Agreement			
Aboriginal Languages			
Revenues			
Funding Received	$ 307,000	$ -	$ 307,000
	307,000	-	307,000
Expenditure			
Salaries	210,547	114,773	325,320
Other O & M	-	-	-
	210,547	114,773	325,320
Net Surplus (Deficit)	$ 96,453	$ (114,773)	$ (18,320)

Sahtu Divisional Education Council

Inclusive Schooling Expenses

For the year ended June 30, 2018

	General Inclusive Schooling	Staff Development	Assistive Technology	Magnet Facilities	**Total**
Salaries					
Regional Coordinator	$ 809,445	$ -	$ -	$ -	$ **809,445**
Program Support Teachers	823,939	-	-	-	**823,939**
Support Assistants	265,941	-	-	-	**265,941**
	1,899,325	-	-	-	**1,899,325**
Employee Benefits					
Employee benefits and allowances	-	-	-	-	**-**
Services Purchased/Contracted					
Professional/Technical Services	32,843	-	-	-	**32,843**
Travel	59,206	-	-	-	**59,206**
Student Transportation (Busing)	-	-	-	-	**-**
Advertising/Printing/Publishing	-	-	-	-	**-**
Maintence/Repair	-	-	-	-	**-**
Rentals/Leases	-	-	-	-	**-**
Other contracted services	-	38,409	-	-	**38,409**
	92,049	38,409	-	-	**130,458**
Materials, Supplies and Freight					
Materials	21,832	-	-	-	**21,832**
Freight	2,376	-	-	-	**2,376**
	24,208	-	-	-	**24,208**
Total	$ 2,015,582	$ 38,409	$ -	$ -	$ **2,053,991**

Sahtu Divisional Education Council

French Language Programs

For the year ended June 30, 2018

	ECE Contributions July 1 to June 30	Commitment from Sahtu July 1 to June 30	Expenses July 1 to June 30
Special projects:			
Core French Instruction	$ 55,000	$ 143,719	$ 123,745

Sahtu Divisional Education Council

Northern Distance Learning

For the year ended June 30, 2018

	Budget	Fort Good Hope	**Total**	July 1 to March 31	April 1 to June 30	**Total**
Revenue						
Education, Culture and Employment	$ 73,185	$ 73,185	$ **73,185**	$ 73,185	$ -	$ **73,185**
Other	-	-	**-**	-	-	**-**
	73,185	73,185	73,185	73,185	-	**73,185**
Expenses						
Salaries/Wages						
Instructional Staff	-	-	**-**	-	-	**-**
Teachers	-	-	**-**	-	-	**-**
On-site support person	50,000	37,844	**37,844**	32,873	4,971	**37,844**
Non-Instructional Staff	-	-	**-**	-	-	**-**
Moodle (Online strategy)	-	-	**-**	-	-	**-**
DL Coordinator	-	-	**-**	-	-	**-**
PD - online learning field	-	-	**-**	-	-	**-**
Other	-	15,957	**15,957**	8,334	7,623	**15,957**
			-	-	-	**-**
Services Purchased/Contracted			**-**	-	-	**-**
Network	23,185	33,072	**33,072**	33,072	-	**33,072**
Travel	-	-	**-**	-	-	**-**
Coordinator travel	-	-	**-**	-	-	**-**
Professional Development	-	-	**-**	-	-	**-**
Communication	-	-	**-**	-	-	**-**
In-service release	-	-	**-**	-	-	**-**
Other	-	-	**-**	-	-	**-**
IT support	-	-	**-**	-	-	**-**
Materials, Supplies and Freight						
Computer Equipment	-	-	**-**	-	-	**-**
Document cameras	-	-	**-**	-	-	**-**
Phone	-	-	**-**	-	-	**-**
Laptop	-	-	**-**	-	-	**-**
Video (Monopad)	-	-	**-**	-	-	**-**
Wireless adapters and splitter	-	-	**-**	-	-	**-**
Freight	-	-	**-**	-	-	**-**
Other	-	-	**-**	-	-	**-**
Total expenses	73,185	86,873	86,873	74,279	12,594	**86,873**
Net surplus/(deficit)	$ -	$ (13,688)	$ (13,688)	$ (1,094)	$ (12,594)	$ **(13,688)**

Sahtu Divisional Education Council

Student Success Initiative Projects

For the year ended June 30, 2018

		School Year
Revenue		
Education, Culture and Employment	$	55,000
NWTTA		33,549
Total Revenue		88,549
Expenses		
Salaries and wages		
Facilitator fees (including per diems)		30,123
Substitute teacher wages		-
Staff (p/y)		-
Travel		
Facilitator travel		5,484
Air charter		-
Staff travel		3,799
Accommodations		9,935
Daily per diems		-
Workshop expenses		
Room rental		-
Refreshments		-
Resources		6,928
Miscellaneous (stationary/printing)		-
Total Expenses		56,269
Net Surplus (Deficit)	$	32,280

Note 1. **Nature of Organization**

The Sahtu Divisional Education Council ("The Council") was established by the *Education Act* of the Government of the Northwest Territories (GNWT) by order of the Minister dated April 1, 1989. Its purpose is to administer and maintain the standards of education program defined under the *Education Act* in the communities in the Sahtu Region.

Consequently, the Council is dependent on funding from the Department of Education, Culture, and Employment (ECE) of the GNWT. Member Communities have formed local District Education Authorities (DEA) which have assumed responsibility to provide sufficient educational programs within their respective communities.

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

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

The accompanying consolidate financial statements include the operations of the Council, and the member District Education Authorities of Colville Lake, Deline, Fort Good Hope, Norman Wells, and Tulita.

Note 2. **Significant Accounting Policies**

(a) Basis of Accounting

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

(b) Cash and Cash Equivalents

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

(c) Financial Instruments

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

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

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

(c) Financial Instruments

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

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

(d) Non-financial Assets

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

(e) Tangible Capital Assets

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

(f) Revenue Recognition

Government Transfers:

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

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

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

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

(f) Revenue Recognition - (Continued)

GNWT – Regular Contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The Education Body retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the GNWT.

Other Contributions:

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

Deferred Revenue:

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

Investment Income:

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

(g) Infrastructure Funding

Any personnel, utilities, and leases infrastructure funding net surplus at the end of the fiscal year is recorded as a payable to the GNWT. Net deficits are not shown as receivable from the GNWT since these amounts are not repayable.

(h) Budget Data

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

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

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

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

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

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

(i) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

(j) Inventories Including Materials and Supplies

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

(k) Payroll Liabilities

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

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

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

(l) Post-employment and Termination Benefits

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

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

(m) Special Purpose Funds

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

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

Note 3. **Future Accounting Changes**

Financial Instruments - Section PS 3450

PSAB has implemented changes to Section PS 3450, Financial instruments that outlines offsetting of financial assets and financial liabilities and the valuation of investments to be measured at fair value. These changes are to be applied on a go forward basis for all fiscal years beginning on or after April 1, 2019. Management is currently assessing the impact of the standard.

Inter-entity Transactions - Section PS 3420

PSAB approved Section PS 3420, Inter-entity transactions. This section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The new standard is effective for fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. Management is currently assessing the impact of the standard.

Student Activity/Fiduciary Funds Policy

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

Note 4. **Cash and Cash Equivalents**

	2018	2017
Cash	$ 2,610,687	$ 2,383,751
Short term investments	-	-
	$ 2,610,687	$ 2,383,751

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.

	2018	2017
Colville Lake	$ 8,000	$ 24,090
Deline	97,801	56,622
Fort Good Hope	67,522	62,010
Norman Wells	108,328	103,978
Tulita	75,069	37,344
SDEC (CJC)	42,560	-
	$ 399,280	$ 284,044

Note 6. **Restricted Assets - Not Applicable**

Note 7. **Portfolio Investments - Not Applicable**

Note 8. **Accounts Receivable**

	Receivables 2018	AFDA 2018	Net 2018	Net 2017
GNWT - ECE	$ 273,313	$ -	$ 273,313	$ 180,730
GNWT - HSS	30,141	-	30,141	9,904
GNWT - MACA	137,852	-	137,852	22,950
GNWT - Justice	28,000	-	28,000	27,925
GNWT - ENR	-	-	-	320
Total Due from GNWT	469,306	-	469,306	241,829
WSCC	-	-	-	22,534
Other	223,216	112,664	110,552	283,266
	$ 692,522	$ 112,664	$ 579,858	$ 547,629

Note 9. **Inventories - Not Applicable**

Note 10. **Accounts Payable and Accrued Liabilities**

	2018	2017
Accounts payable and accrued liabilities		
GNWT	$ 35,719	$ 357
WSCC	-	22,534
Trade payables	231,573	128,730
	267,292	151,621
Payroll liabilities		
UNW School Year & NWTTA	1,442,360	1,482,231
Leave	74,910	66,697
	1,517,270	1,548,928
	$ 1,784,562	$ 1,700,549

Note 11. **Deferred Revenue**

	2018	2017
MACA		
Active After School	$ 66,500	$ 76,500
Youth Contribution	28,977	1,655
Regional Youth Sports	42,375	46,740
Drama	-	5,000
Justice		
Community Justice	42,560	45,973
ITI		
Seed	-	5,000
ECE		
Northern Distance Learning	82,340	
Library	107,128	103,176
HSS		
Nutrition North	29,400	-
	$ 399,280	$ 284,044

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, 2018. The values presented below are for all of the benefits under the Compensated Absences and Terminations Benefits for the consolidated Government.

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

	Severance and removal	Compensated Absences	2018	2017
Changes in Obligation				
Accrued benefit obligations beginning of the year	$ 749,527	$ 130,818	$ 880,345	$ 805,211
Current period benefit cost	54,024	16,751	70,775	63,095
Interest accrued	24,035	4,462	28,497	25,836
Benefits payments	(35,136)	(56,164)	(91,300)	(93,928)
Plan amendments	-	-	-	-
Actuarial (gain)/loss	(134,560)	27,325	(107,235)	80,131
Accrued benefit obligation end of year	657,890	123,192	781,082	880,345
Unamortized net actuarial gain	652,521	86,754	739,275	728,440
Net future obligation	1,310,411	209,946	1,520,357	1,608,785
Benefits Expense				
Current period benefit cost	54,024	16,751	70,775	63,095
Interest accrued	24,035	4,462	28,497	25,836
Plan amendments	-	-	-	-
Amortization of actuarial gains	(78,654)	(17,746)	(96,400)	(106,389)
	(595)	3,467	2,872	(17,458)

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
2019	$ 118,593	$ 20,271	$ 138,864
2020	113,241	19,148	132,389
2021	94,238	18,133	112,371
2022	75,108	14,999	90,107
2023	57,914	12,515	70,429
	$ 459,094	$ 85,066	$ 544,160

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

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

Note 20. **Prepaid Expenses**

	2018	2017
Prepaid expenses	$ 19,360	$ 26,813

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

	Cost	Accumulated Amortization	Net Book Value 2018	2017
Buildings				
Schools and colleges	$ 66,238,478	$ 21,236,760	$ 45,001,718	$ 46,310,770
Staff Housing	275,800	100,957	174,843	187,184
	$ 66,514,278	$ 21,337,717	$ 45,176,561	$ 46,497,954

Note 22. **Contractual Obligations**

The Education Body has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2018.

	Expires in Fiscal Year *	2019	2020 and thereafter	Total
Commercial and residential leases	2023	$ 106,752	$ 427,008	$ 533,760

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

The lease on the Council's office expires on August 31, 2023. A 15 year lease agreement was entered into at the Edward Hodgson Building with monthly lease payments starting September 1, 2008. From September 1, 2008 to August 31, 2018 the annual lease payments will remain at $106,752, After 10 years, the lease amount will be adjusted based on the expected market conditions for the following 5 years.

In addition, the Council is responsible for its proportionate share of utilities and cleaning services received during its term of occupancy.

Note 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 13, 2017 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, 2018.

Credit risk

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

Note 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**

	2018 Budget	2018 Actual	2017 Actual
Salaries	$ 12,390,037	$ 12,250,037	$ 12,417,152
Employee Benefits	405,888	409,895	1,081,498
Services Purchased/Contracted	1,337,363	1,633,454	1,567,577
Materials, Supplies and Freight	290,980	851,612	717,487
Debt Services	-	-	-
	$ 14,424,268	$ 15,144,998	$ 15,783,714

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**

	2018	2017
Library	$ 140,000	$ 140,000
Distance learning	73,185	-
LMAPD	24,000	-
Self regulation	4,000	18,750
Literacy Initiative	-	10,838
Infrastructure funding	-	34,512
Less: Deferred revenue & contributions repaid	(188,108)	(23,383)
	$ 53,077	$ 180,717

Note 32. **GNWT - Other Contributions**

	2018	2017
MACA		
Active After School	$ 66,500	$ 76,500
Youth Contribution	56,670	-
Regional Youth Sports	49,075	46,300
Volunteer	2,000	-
Puppeteer	5,000	-
Youth Heritage	4,227	-
On the land	4,442	-
Local Sport Leader's Development	-	5,000
TAKT	-	8,000
Drama	-	5,000
Youth Pride	-	5,000
HSS		
Drop The Pop	8,500	8,190
Nutrition North	28,000	29,332
ITI		
Seed	-	5,000
Agriculture	-	5,000
Greenhouse Project	-	7,000
Justice		
Community Justice	56,000	55,850
Other		
Aurora College ALCIP	-	177,100
On the land	26,000	-
Less: Deferred revenue & contributions repaid	71,161	(29,996)
	$ 377,575	$ 403,276

Note 33. **Contingent Assets**

Note 34. **Contractual Rights**

Sahtu Divisional Education Council

Schedule A-1 - Statement of Council Operations and Financial Position (Non-Consolidated)

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Government of the Northwest Territories	$ 14,444,421	$ 15,110,300	$ 15,572,392
Other education body generated funds	37,650	202,397	142,871
	14,482,071	15,312,697	15,715,263
Expenditure			
Administration	1,181,157	960,194	1,504,965
School programs	9,490,041	9,904,708	10,106,659
Inclusive schooling	2,386,703	2,053,991	2,152,768
Operations and maintenance	150,150	140,359	146,342
Aboriginal languages	1,342,217	1,539,021	1,401,190
	14,550,268	14,598,273	15,311,924
Excess (Deficiency) of Revenue over Expenditure	$ (68,197)	$ 714,424	$ 403,339
Accumulated surplus (deficit), beginning of year		2,353,231	1,949,892
Accumulated surplus (deficit), end of year		$ 3,067,655	$ 2,353,231

SATHU DIVISIONAL EDUCATION COUNCIL

Schedule A-2 - Details of Council Expenses (Non-Consolidated)

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	**2018 Total**
Salaries								
Teachers' salaries	$ 7,161,372	$ 809,445	$ -	$ -	$ -	$ 1,157,728	$ -	$ **9,128,545**
Instruction Assistant	5,359	823,939	-	-	-	66,421	-	**895,719**
Non Instructional Staff	963,344	265,942	-	-	707,412	-	-	**1,936,698**
Board/Trustee Honoraria	-	-	-	-	15,587	30,777	-	**46,364**
	8,130,075	1,899,326	-	-	722,999	1,254,926	-	**12,007,326**
Employee Benefits								
Employee benefits and allowances	21,668	-	-	-	-	-	-	**21,668**
Leave and termination benefits	388,227	-	-	-	-	-	-	**388,227**
	409,895	-	-	-	-	-	-	**409,895**
Services Purchased/Contracted								
Professional/Technical Services	534,307	32,843	-	-	-	-	-	**567,150**
Postage/Communication	43,227	-	-	-	35,157	-	-	**78,384**
Utilities					-			
Heating	-	-	-	-	-	-	-	**-**
Electricity	-	-	-	-	-	-	-	**-**
Water/Sewage	-	-	-	-	-	-	-	**-**
Travel	91,751	59,205	-	-	73,328	5,314	-	**229,598**
Student Travel (busing)	194,500	-	-	-	-	-	-	**194,500**
Advertising/Printing/Publishing	3,437	-	-	-	-	-	-	**3,437**
Maintenance/Repair	19,242	-	-	5,700	-	-	-	**24,942**
Rentals/Leases	-	-	-	134,659	-	-	-	**134,659**
Other - Contracted Services	82,379	38,409	-	-	59,613	-	-	**180,401**
Other - Miscellaneous	28,525	-	-	-	45,553	41,542	-	**115,620**
	997,368	130,457	-	140,359	213,651	46,856	-	**1,528,691**
Materials, Supplies and Freight								
Materials	337,840	21,832	-	-	19,627	234,826	-	**614,125**
Freight	29,530	2,376	-	-	3,917	2,413	-	**38,236**
	367,370	24,208	-	-	23,544	237,239	-	**652,361**
Contributions and Transfers								
Transfers to DEAs	-	-	-	-	-	-	-	**-**
Transfers to Capital	-	-	-	-	-	-	-	**-**
Amortization	-	-	-	-	-	-	-	**-**
Debt Services	-	-	-	-	-	-	-	**-**
Total	$ 9,904,708	$ 2,053,991	$ -	$ 140,359	$ 960,194	$ 1,539,021	$ -	$ **14,598,273**

SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-1 District Education Authorities
Statement of Operations - Non-Consolidated

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	126,000	121,000
GNWT	-	617,739	398,893
Other	-	-	-
Deferred Revenue	-	(120,164)	(20,467)
Contributions Repaid	-	(47,964)	(25,172)
	-	449,611	353,254
Total revenue	-	575,611	474,254
Expenditure			
Administration	-	97,114	118,538
School programs	-	426,415	349,672
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	23,196	3,580
	$ -	546,725	471,790
Surplus (Deficit)	-	28,886	2,464
Opening equity		50,564	48,100
Closing equity		$ 79,450	$ 50,564
Composition of Ending Accumulated Surplus			
Cash		$ -	$ -
Accounts receivable		79,450	50,564
Accounts payable		-	-
		$ 79,450	$ 50,564

SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-2 - Details of DEA Expenses
Non-Consolidated
For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accom.	Operations and Maintenance	Council Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	164,857	-	-	-	43,515	-	208,372
Board/Trustee Honorarium	-	-	-	-	34,339	-	34,339
	164,857	-	-	-	77,854	-	242,711
Employee Benefits							
Employee Benefits and Allowances	-	-	-	-	-	-	-
Leave and Termination	-	-	-	-	-	-	-
	- -	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities							
Heating	6,729	-	-	-	-	-	6,729
Electricity	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-
Travel	71,175	-	-	-	-	1,549	72,724
Student Transportation (busing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	9,595	-	-	-	-	-	9,595
Other - Fees	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	15,715	-	15,715
	87,499	-	-	-	15,715	1,549	104,763
Materials/Supplies/Freight							
Materials	168,374	-	-	-	3,545	15,161	187,080
Freight	5,685	-	-	-	-	6,486	12,171
	174,059	-	-	-	3,545	21,647	199,251
Total	$ 426,415	$ -	$ -	$ -	$ 97,114	$ 23,196	546,725

COLVILE LAKE

District Education Authority
Statement of Operations

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 17,000	$ 16,000
GNWT	-	18,125	24,090
Other	-	-	-
Deferred Revenue	-	15,700	(12,376)
Contributions Repaid	-	(11,956)	(7,567)
	-	38,869	20,147
Expenses			
Administration	-	13,638	10,005
School programs	-	21,869	4,146
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	-	35,507	14,151
Surplus (Deficit)	-	3,362	5,996
Opening equity		19,386	13,390
Closing equity		$ 22,748	$ 19,386
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		22,748	19,386
Accounts Payable		-	-
		$ 22,748	$ 19,386

COLVILLE LAKE

District Education Authority
Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	9,555	-	9,555
	-	-	-	-	9,555	-	9,555
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	11,925	-	-	-	-	-	11,925
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	4,083	-	4,083
	11,925	-	-	-	4,083	-	16,008
Materials/Supplies/Freight							
Materials	9,944	-	-	-	-	-	9,944
Freight	-	-	-	-	-	-	-
	9,944	-	-	-	-	-	9,944
Total	$ 21,869	$ -	$ -	$ -	$ 13,638	$ -	$ 35,507

DELINE

District Education Authority
Statement of Operations

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 26,000	$ 25,000
GNWT	-	118,769	85,200
Other	-	-	-
Deferred Revenue	-	(42,254)	(6,266)
Contributions Repaid	-	(13,760)	(6,753)
	-	88,755	97,181
Expenses			
Administration	-	18,229	25,449
School programs	-	55,929	68,600
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	6,826	3,580
	-	80,984	97,629
Surplus (Deficit)	-	7,771	(448)
Opening equity		1,942	2,390
Closing equity		$ 9,713	$ 1,942
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		9,713	1,942
Accounts Payable		-	-
		$ 9,713	$ 1,942

DELINE

District Education Authority
Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	32,938	-	-	-	10,618	-	43,556
Board/Trustee Honoraria	-	-	-	-	4,066	-	4,066
	32,938	-	-	-	14,684	-	47,622
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Materials/Supplies/Freight							
Materials	20,586	-	-	-	3,545	340	24,471
Freight	2,405	-	-	-	-	6,486	8,891
	22,991	-	-	-	3,545	6,826	33,362
Total	$ 55,929	$ -	$ -	$ -	$ 18,229	$ 6,826	$ 80,984

FORT GOOD HOPE

District Education Authority
Statement of Operations

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 26,000	$ 25,000
GNWT	-	193,628	72,047
Other	-	-	-
Deferred Revenue		(5,562)	3,162
Contributions Repaid	-	(1,055)	(594)
	-	213,011	99,615
Expenses			
Administration	-	24,196	17,725
School programs	-	179,011	74,615
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	8,000	-
	-	211,207	92,340
Surplus (Deficit)	-	1,804	7,275
Opening equity		6,859	(416)
Closing equity		$ 8,663	$ 6,859
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		8,663	6,859
Accounts Payable		-	-
		$ 8,663	$ 6,859

FORT GOOD HOPE

District Education Authority
Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	68,294	-	-	-	11,250	-	79,544
Board/Trustee Honoraria	-	-	-	-	9,667	-	9,667
	68,294	-	-	-	20,917	-	89,211
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	48,628	-	-	-	-	-	48,628
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	9,595	-	-	-	-	-	9,595
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	3,279	-	3,279
	58,223	-	-	-	3,279	-	61,502
Materials/Supplies/Freight							
Materials	51,265	-	-	-	-	8,000	59,265
Freight	1,229	-	-	-	-	-	1,229
	52,494	-	-	-	-	8,000	60,494
Total	$ 179,011	$ -	$ -	$ -	$ 24,196	$ 8,000	$ 211,207

NORMAN WELLS

District Education Authority
Statement of Operations

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 30,000	$ 29,000
GNWT	-	165,342	160,146
Other	-	-	-
Deferred Revenue	-	(50,324)	(17,662)
Contributions Repaid	-	474	(770)
	-	145,492	170,714
Expenses			
Administration	-	18,727	46,041
School programs	-	115,492	141,714
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	-	134,219	187,755
Surplus (Deficit)	-	11,273	(17,041)
Opening equity		2,724	19,765
Closing equity		$ 13,997	$ 2,724
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		13,997	2,724
Accounts Payable		-	-
		$ 13,997	$ 2,724

NORMAN WELLS

District Education Authority
Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	38,203	-	-	-	10,857	-	49,060
Board/Trustee Honoraria	-	-	-	-	7,870	-	7,870
	38,203	-	-	-	18,727	-	56,930
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	6,729	-	-	-	-	-	6,729
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	-	-	-
Other - Fees	-	-	-	-	-	-	-
	6,729	-	-	-	-	-	6,729
Materials/Supplies/Freight							
Materials	69,429	-	-	-	-	-	69,429
Freight	1,131	-	-	-	-	-	1,131
	70,560	-	-	-	-	-	70,560
Total	$ 115,492	$ -	$ -	$ -	$ 18,727	$ -	$ 134,219

TULITA

District Education Authority
Statement of Operations

For the year ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Contributions from Divisional Council	$ -	$ 27,000	$ 26,000
GNWT	-	121,875	57,410
Other	-	-	-
Deferred Revenue		(37,724)	12,675
Contribution Repayable	-	(21,667)	(9,488)
	-	89,484	86,597
Expenses			
Administration	-	22,324	19,318
School programs	-	54,114	60,597
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	8,370	-
	-	84,808	79,915
Surplus (Deficit)	-	4,676	6,682
Opening equity		19,653	12,971
Closing equity		$ 24,329	$ 19,653
Composition of Closing Equity			
Cash		$ -	$ -
Accounts Receivable		24,329	19,653
Accounts Payable		-	-
		$ 24,329	$ 19,653

TULITA

District Education Authority
Details of Expenses

For the year ended June 30, 2018

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	25,422	-	-	-	10,790	-	36,212
Board/Trustee Honoraria	-	-	-	-	3,181	-	3,181
	25,422	-	-	-	13,971	-	39,393
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	10,622	-	-	-	-	1,549	12,171
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other - Special Requests	-	-	-	-	8,353	-	8,353
	10,622	-	-	-	8,353	1,549	20,524
Materials/Supplies/Freight							
Materials	17,150	-	-	-	-	6,821	23,971
Freight	920	-	-	-	-	-	920
	18,070	-	-	-	-	6,821	24,891
Total	$ 54,114	$ -	$ -	$ -	$ 22,324	$ 8,370	$ 84,808

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL

FORT SMITH, NT.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

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Management Discussion and Analysis
For the year ended June 30, 2018

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 2017/18 representatives were as follows:

Fort Smith – Ann Pischinger (Chairperson)
Fort Resolution – Bess Ann McKay (Vice-Chairperson)
Hay River – Kandis Jameson
K'atlodeeche – Atanda Norn
Lutsel K'e – Prairie Desjarlais

Key senior management positions were as follows:

Superintendent – Dr. Curtis Brown
Assistant Superintendent – Alan Karasiuk/Dorie Hanson
Comptroller – James Watts, CPA, CMA

The SSDEC and its DEAs are committed to a philosophy of education which is built upon a foundation of enabling communities, DEAs, schools, staff members, and parents to help students reach their potential. Student achievement is at the heart of everyone's work at the SSDEC and is the common thread connecting the Council's vision, mission, beliefs and values.

VISION
All individuals reach their educational potential
MISSION
The South Slave Divisional Education Council strives to prepare students to create their futures by ensuring high levels of learning for ALL.

The SSDEC is committed to improving student *literacy*, *numeracy* and *social responsibility* as the key priorities for student success in school and in life.

Operating Environment

The SSDEC receives the financial resources for the entire division on an annual basis, largely through a funding formula established by the *GNWT Department of Education, Culture and Employment (ECE).* Unfortunately, there are a number of unfunded and underfunded areas in the formula. For example:

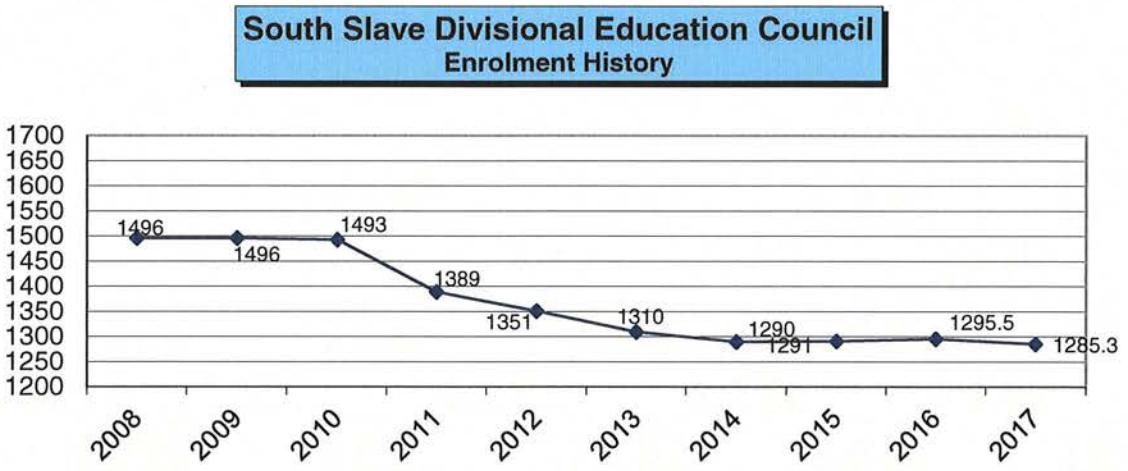
- school boards are funded based on prior year teacher salaries yet collective agreement provisions provide annual salary increments to staff which school boards must pay. ECE also underfunds school boards for salaries of long term UNW, Excluded, and Managers.
- ECE confirms that they are underfunding 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.

There were continuing challenges with the implementation of Junior Kindergarten this year mostly centered around renovations to schools to accommodate the younger students. Prior to these decisions, the NWT had the third worst student-educator ratio of all the provinces and territories in Canada (see http://www.statcan.gc.ca/pub/81-582-x/2013001/tbl/tblc2.3-eng.htm) and the second highest percentage of students with special needs.

This past year also saw a late but significant increase in Federal funding for Indigenous Language and Education (ILE) (formerly Aboriginal Languages). Increased funding was a pleasant surprise but did cause some difficulties in seeing it all spent effectively by the required deadline.

Shrinking enrolment has also brought significant challenges over the last several years. South Slave student enrolment is now almost two thirds what it was fifteen years ago (approx. 1300 now vs. over 1800 previously).



Fewer students means less funding and less flexibility 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 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 them 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 school board surpluses now provides clarity on what Boards are allowed to retain where none existed before. It also creates a requirement for Boards to justify any surplus in excess of what they are allowed to retain. The GNWT policy indicates that a maximum surplus of up to 7% of the last audited figure for overall revenue can be retained. This is inclusive of any school and DEA surpluses. The results from 2017/18 financial audit leave the SSDEC slightly above our maximum allowable surplus and at risk of GNWT clawback. A planned deficit for 2018/19 will address 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:

To improve student success in *literacy*	To increase the percentage of students meeting or exceeding expectations for literacy proficiency
To improve student success in *numeracy*	To increase the percentage of students meeting or exceeding expectations for numeracy proficiency
To increase understanding and practice of *socially responsible behaviour* by all members of the school community	To increase the percentage of trustees, staff and students demonstrating responsible behaviour

Accordingly, Council has remained committed to funding the *Leadership for Literacy* initiative that places and trains experienced teachers in instructional coach roles in their respective schools. These coaches provide training and in-classroom support to other teachers and support staff so that more students will achieve success in literacy and math, the essential skills required for success in school and in life.

Much has been accomplished as evidenced by improving student achievement results over the past several years. Further indicative of the SSDEC's success are the various awards received including the three *Ministerial Literacy Awards* for the *SSDEC Literacy Project*, the *Premier's Award of Excellence* for the *Trades Awareness Program* partnership, and then the *Premier's Award for Collaboration* (with Aurora College, South Slave Career Centres, Fort Smith and Hay River Health Authorities) for the *South Slave Healthy Communities Partnership* in 2009.

Further, the SSDEC's Leadership for Literacy initiative has been recognized nationally as well, being awarded *Indspire's (aka National Aboriginal 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 heals of the SSDEC becoming the first school board in Canada to win Gold in the education category of the *Public Sector Leadership*

Awards, as selected by the *Institute of Public Administration of Canada* (IPAC) and Deloitte in 2014.

South Slave staff and students are excelling and benefitting accordingly as well. 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 and only northern recipients of the *Canadian Superintendent of the Year* award (*Canadian Association of School System Administrators (CASSA) & American Association of School Administrators (AASA)*. Two of the five SSDEC trustees also received the *Queen's Diamond Jubilee* medals for exemplary service to their communities. The South Slave DEC also has 6 inductees into the NWT Education Hall of Fame

Two of the South Slave's educators have also received *Indspire Indigenous Educator Awards* and another Aboriginal teacher received the *Prime Minister's Award for Teaching Excellence*. These awards are examples of how effective literacy efforts are being encouraged and supported in our Aboriginal language programs in Cree, Slavey and Chipewyan; in addition to English and French.

Council understands that the more engaged students and parents are, the more likely children are to achieve. This is why Council has five targets for improvement that involve parents. Below are the targets and the results for 2017/18:

- 93% of parents (82% response rate) have discussed with their teacher and understand their child's *reading* strengths and stretches (target 90% of parents with 75% response rate)
- 90% of parents say they are satisfied with their child's growth as a *reader* (target 90%)
- 91% of parents (82% response rate) have discussed with their teacher and understand their child's *math* strengths and stretches (target 90% of parents with 75% response rate)
- 89% of parents say they are satisfied with their child's growth in *math* (target 90%)

Still, only about half of South Slave students attend at least 90% of the time, meaning that half of our students have missed a full year of schooling by the time they reach grade 10. There has also been an increase in staff use of long-term leave requests due to mental health issues. As we are unsure when staff will be able to return to their classrooms, we increasingly find ourselves hiring unqualified substitutes for repeated one and two month periods. This is not only disruptive to classroom routine, but compromises the quality of students' education and is costly for the SSDEC.

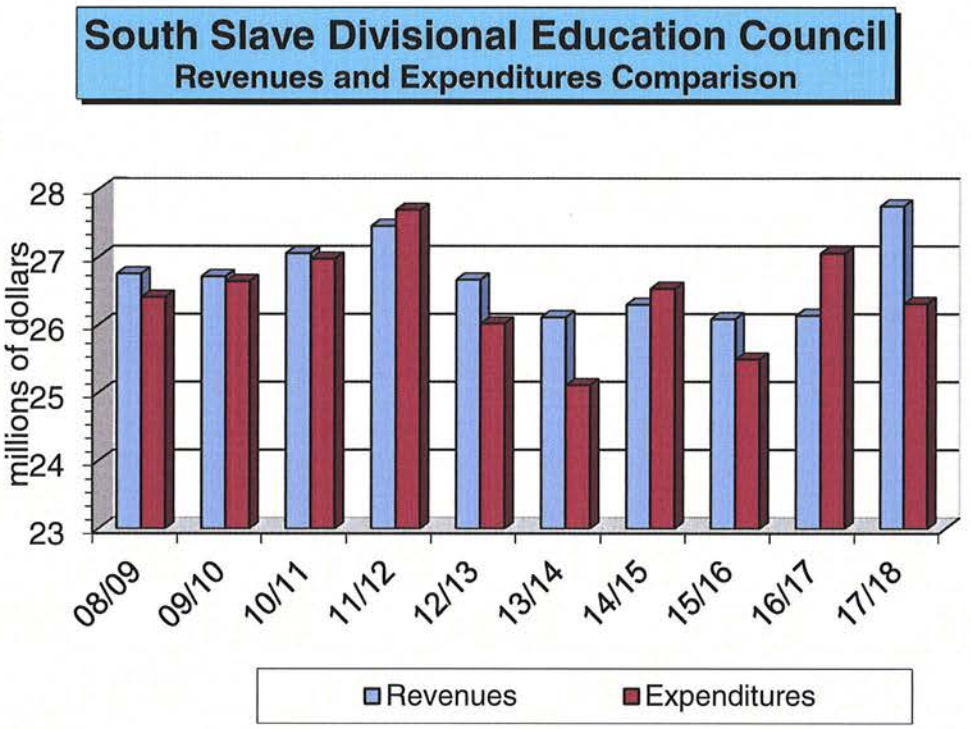
Results from the GNWT's *2016 Employee Engagement and Satisfaction Survey Report* indicate the SSDEC is performing above the GNWT average in 7 of 9 agreement scores by index and 27 of 37 agreement scores by statement. Our scores were also above or equal to our historic average (2011-2014) in all 8 categories and in 28 of 32 statements.

The "SSDEC's highest Index score was for the *Leadership* Index at 78.6% which was 13.5 above the 2016 GNWT score." "72.3% of SSDEC respondents agreed that essential information flows effectively from senior leadership to staff. This score was 23.8% above the 2016 GNWT results and the top agreement score of all GNWT departments, boards and agencies in 2016." "The SSDEC *Excellence & Innovation* Index score was its second highest at 78.3% in 2016 (an increase of +3.6 over the earlier average). This was +11.3 above the 2016 GNWT Index score."

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, 21st century learning), pride and resiliency as part of its academic and social responsibility priorities.

Financial Condition

The bar chart below provides a historical comparison of revenues and expenditures over the past ten years.



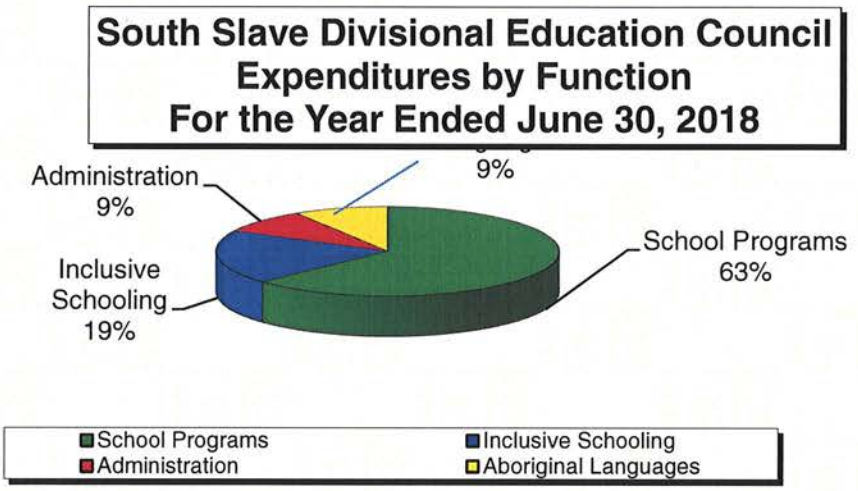
For the year ended June 30, 2018 the Council had an operating surplus of $1,436,624 inclusive of DEA surpluses and deficits. This was higher than the projected surplus of $80,020 due to a higher than normal adjustment to the Council's employee future benefits liability amount (+$400,000). Other reasons 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 $2,188,811 (see chart below) which is $292,542 above the Council's maximum fund balance of $1,896,269 spelled out in policy DFAA – Financial Surplus. The Council's budget for 2018/19 is a deficit budget of $452,714 that, if realized, would bring the Council's accumulated fund balance down to $1,736,097.

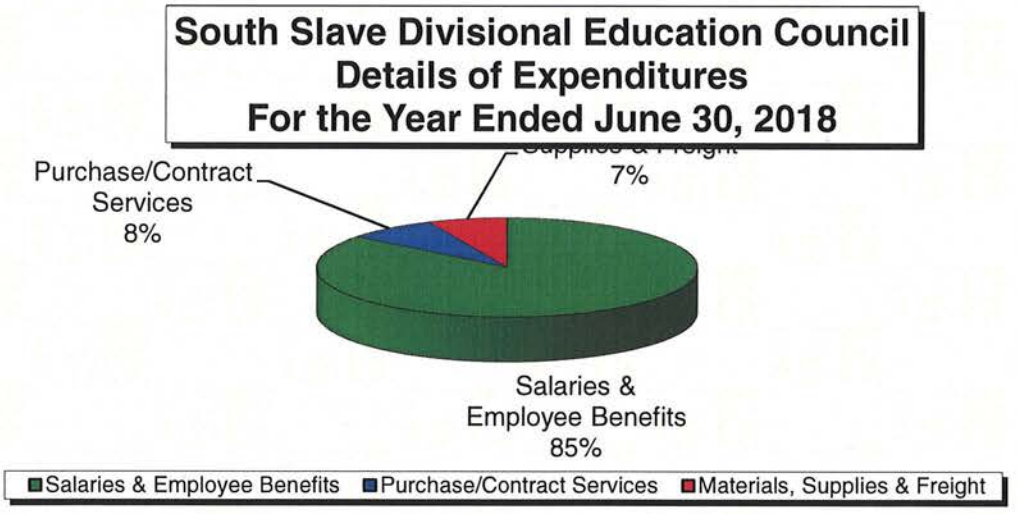
	2018	2017
Accumulated Fund Balance at beginning of year	$1,907,706	$2,824,274
Operating Surplus/(Deficit) for year	1,436,624	(916,568)
Accumulated Fund Balance at end of year	$3,344,330	$1,907,706
Commitments against Fund Balance	(1,155,519)	(1,240,776)
Uncommitted Fund Balance at end of year	$2,188,811	$ 666,930

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 88% (see second chart below) of the SSDEC's expenditures are for staffing payroll and benefits, any unanticipated reductions in allocations from ECE, or unexpected expenditures, would be difficult to adjust for until the following school year.

The chart below breaks down the Council's expenditures according to the functions identified. ECE mandates that 15% of the Council's expenditures be in Inclusive Schooling. Inclusive Schooling made up 19% of the Council's expenditures in 2017/18. Funding spent on Indigenous Languages Education is also above what was funded by ECE. As indicated below, the Council's percentage for Administration includes the recent merging of the Personnel Infrastructure and Distance Learning funding into this category.



The chart below breaks down the Council's expenditures into three main categories: Salaries and Employee Benefits, Materials/Supplies and Freight and Purchased/Contracted Services.



Summary and Outlook

In summary, the SSDEC is currently in a positive financial position 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 2018/19 has been planned to address that excess.

The Council will continue to struggle with issues around student attendance and mental health and wellness of both its students and staff. It is hoped that initiatives like a partnership with the Jordan's Principle Centre for funding for an increased level of psychological testing for students will help address some of the causes of mental health issues in students and also behavioural problems that may affect attendance.

GNWT initiatives concerning Shared Services for Boards and the Transportation Review have recently been completed but it is not known what affect, if any, the recommendations from these two reports will have on the funding and operations of the SSDEC.

Teacher shortages elsewhere in Canada have made it difficult to hire teaching staff currently. This phenomenon affects not only the SSDEC but all Boards across the NWT, and many southern jurisdictions.

The community of Enterprise is exploring the possibility of forming a DEA. If successful in their petition to the Minister they have indicated their preference would be to join the South Slave Divisional Education Council.

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

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INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of South Slave Divisional Education Council which comprise the Consolidated Statement of Financial Position as at June 30, 2018 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.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

Salaries and related benefits paid to employees of the 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.

INDEPENDENT AUDITORS' REPORT - cont'd.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the South Slave Divisional Education Council as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

We further report, in accordance with the 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.

Other Matter

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

Avery Cooper & Co. Ltd.

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

July 30, 2018

Statement I

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents (Note 4)	$7,815,425	$6,781,784
Trust Assets (Note 18)	80,030	80,030
Due from the GNWT (Note 8)	101,157	98,376
Due from the Government of Canada (Note 13)	0	1,574
Other Accounts Receivable (Note 8)	120,362	203,066
Total Financial Assets	**$8,116,974**	**$7,164,829**
Liabilities		
Bank Indebtedness	$0	$0
Accounts Payable and Accrued Liabilities (Note 10)	89,132	52,642
Trust Liabilites (Note 18)	80,030	80,030
Due to the GNWT (Note 10)	24,313	13,848
Payroll Liabilities (Note 10)	989,548	1,139,673
Deferred Revenue (Note 11)	28,550	7,067
Post-Employment Benefits (Note 17)	3,561,071	3,963,864
Total Liabilities	**$4,772,644**	**$5,257,123**
Net Financial Resources	**$3,344,330**	**$1,907,706**
Non-Financial Assets		
Prepaid Expenses (Note 20)	$0	$0
Accumulated Fund Balance	**$3,344,330**	**$1,907,706**
Represented By:		
Operating Fund Balance	$1,724,226	$540,399
DEA Fund Balances	$464,585	$481,015
School Staffing Surpluses (Note 35)	$1,155,519	$886,292
Accumulated Fund Balance	**$3,344,330**	**$1,907,706**

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, 2018

	Unaudited 2018 Budget	2018	2017
Operating Surplus/(Deficit) (Statement III)	($22,822)	$1,436,624	($916,568)
Prior Year Adjustments		0	0
Increase/(Decrease) in Net Financial Resources	**($22,822)**	**$1,436,624**	**($916,568)**
Opening Net Financial Resouorces	1,907,706	1,907,706	2,824,274
Closing Net Financial Resources	$1,884,884	$3,344,330	$1,907,706

See attached notes and schedules.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	(Note 25) (unaudited) 2018 Budget	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
ECE Regular Contributions	$24,886,380	$25,654,495	$24,210,617
Other ECE Contributions (Note 31)	208,000	1,260,954	790,236
Total ECE Contributions	**$25,094,380**	**$26,915,449**	**$25,000,853**
Other GNWT Contributions (Note 32)	$1,028,002	$294,152	$450,055
Total GNWT Contributions	**$26,122,382**	**$27,209,601**	**$25,450,907**
Other Education Bodies	**$0**	**$0**	**$0**
Government of Canada Contributions	**$0**	**$0**	**$0**
Generated Funds			
Investment Income	$80,400	$101,338	$58,847
Non-GNWT Contributions	0	123,314	251,883
Donations	0	81,343	152,441
Other	71,500	232,820	221,770
Total Generated Funds	**$151,900**	**$538,816**	**$684,941**
Total Revenues	**$26,274,282**	**$27,748,416**	**$26,135,848**
EXPENSES (Schedule 1)			
Administration	$2,216,429	$2,289,524	$1,603,287
School Programs	17,025,737	16,539,072	18,499,068
Inclusive Schooling	5,013,176	5,140,291	4,771,459
Aboriginal Language/Cultural Programs	2,041,762	2,342,905	2,178,602
Total Expenses	**$26,297,104**	**$26,311,792**	**$27,052,416**
OPERATING SURPLUS/(DEFICIT)	**($22,822)**	**$1,436,624**	**($916,568)**
Opening Fund Balance		**1,907,706**	**2,824,274**
Closing Fund Balance		**$3,344,330**	**$1,907,706**

See attached notes and schedules.

Statement IV

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF CASH FLOW
For the Year Ended June 30, 2018

	2018	2017
Cash Provided By (Used In):		
Operating Surplus/(Deficit)	$1,436,624	($916,568)
Changes in Non-cash Assets and Liabilities		
Decrease (increase) due from Government of Canada	$1,574	($1,574)
Decrease (increase) in accounts receivable	79,923	(75,193)
Increase (decrease) in acc. payroll/emp.deductions	(150,125)	(763,042)
Increase (decrease) in accounts payable	46,955	(191,107)
Increase (decrease) in trust liability	(0)	($221)
Increase (decrease) in deferred revenue	21,483	($120,132)
Increase (decrease) in post-employment benefits	-402,793	1,200,435
Decrease (increase) in prepaid expenses	0	0
Cash Provided by (Used In) Operating Transactions	$1,033,641	($867,402)
Increase/(Decrease) in Cash and Cash Equivalents	$1,033,641	($867,402)
Cash and Cash Equivalents at Beginning of Year	$6,861,814	$7,729,216
Cash and Cash Equivalents at End of Year *	$7,895,455	$6,861,814

* 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, 2018

Note 1. Nature of the Organization

The Council was formerly known as the South Slave Divisional Board of Education. With the adoption of the new Education Act, its legal name is now the South Slave Divisional Education Council (Council).

The Council was established under the Education Act of the Government of the Northwest Territories by order of the Minister of Education dated July 1, 1991. Its purpose is to administer and maintain standards of educational programs defined under the Act in the member communities of the South Slave region.

Consequently, the Council is economically dependent upon funding from the Department of Education, Culture and Employment of the GNWT. Member communities have formed local District Education Authorities (DEA) which have assumed the responsibility of providing sufficient educational programs within their respective communities.

Note 2. Significant Accounting Policies

a) Basis of Accounting

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

b) Cash and Cash Equivalents

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

c) Financial Instruments

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

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

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

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

d) Non-Financial Assets

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

e) Tangible Capital Assets

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

f) Revenue Recognition

Government Transfers:

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

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

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

GNWT – Regular Contributions:

The regular contributions from the GNWT are determined by a funding formula and are received in monthly installments. The council retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided for by the formula, must first be approved by the GNWT.

Other Contributions:

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

Deferred Revenue:

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

Investment income:

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

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.

h) Measurement Uncertainty

The preparation of these consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses during the period. Actual results could differ from these estimates.

i) Inventories Including Materials and Supplies

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

j) Payroll Liabilities

According to the Northwest Territories Teachers Association (NWTTA) and GNWT Collective Agreement, teaching staff have their salary issued by the GNWT bi-weekly pay system. NWTTA staff will have earned their annual salary by June 30th of each year which provides for continued payment during the summer. GNWT payroll for NWTTA staff starts with the annualized salary commitment for compensation and then allocates the complete payout of that value over the number of pay periods between August 1 and July 31 (usually 26). The pay periods that fall within the month of July therefore have to be accrued.

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

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

k) 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

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) Restructuring transactions (PS3430 – April 1, 2018)
b) Foreign Currency Translation (PS 2601 – April 1, 2019)
c) Financial instruments (PS3450 – April 1, 2019)
d) Student Activity/Fiduciary funds policy under review for possible inclusion in Special Purpose Funds.

Note 4. Cash and Cash Equivalents

	2018	2017
Cash	$7,815,425	$6,781,784
Trust Assets	80,030	80,030
Bank Indebtedness	0	0
Total	$7,895,455	$6,861,814

Note 5. Special Purpose Funds

Nothing to report.

Note 6. Restricted Assets

Nothing to report.

Note 7. Portfolio Investments

Nothing to report.

Note 8. Accounts Receivable

	2018 Net	2017 Net
GNWT – Finance	$ 11,950	$ 6,570
GNWT – HSS	0	250

Aurora College	4,410	0
GNWT – ECE	84,797	91,556
Total due from GNWT	$101,157	$ 98,376
Due from Government of Canada	0	1,574
Other	120,362	203,066
Total Receivables	$221,519	$303,016

Note 9. Inventories

Not applicable.

Note 10. Accounts Payable and Accrued Liabilities

	2018	2017
WSCC	$ 0	$ 0
GNWT – Dept. of Finance (payroll)	989,548	1,139,673
Princess Alexandra	0	345
GNWT – Dept of Finance	972	0
GNWT – Dept. of Education, Culture & Employment	23,341	13,503
Total Due to GNWT	$1,013,861	1,153,521
Other	89,132	52,642
Total Accounts Payable	$1,102,993	$1,206,163

Note 11. Deferred Revenue

	2018	2017
Self-Regulation resources (from ECE)	$ 1,278	$ 1,615
Child/Youth Resiliency – Chief Sunrise (MACA)	13,636	0
Child/Youth Resiliency - Deninu (MACA)	13,636	0
Regional Youth Sports – Deninu (MACA)	0	5,000
Total GNWT	$ 28,550	$ 6,615
Autism Speaks	0	452
Total Deferred Revenue	$ 28,550	$ 7,067

Note 12. Contribution Repayable

Nothing to report.

Note 13. Due To/From the Government of Canada

Nothing to report.

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.

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

	Severance and Removal $	Compensated Absences $	2018 $	2017 $
Changes in Obligation				
Accrued benefit obligations	$1,928,888	$528,354	$2,457,242	$2,376,438

at beginning of year				
Current period benefit cost	$89,310	$30,626	$119,936	$113,050
Interest accrued	$60,291	$17,015	$77,305	$72,712
Benefits payments	($152,213)	($246,585)	($398,797)	($539,890)
Plan amendments	$0	$0	$0	$0
Actuarial (gains)/losses	($268,925)	$147,218	($121,707)	$434,932
Accrued benefit obligations at end of year	**$1,657,351**	**$476,628**	**$2,133,979**	**$2,457,242**
Surplus/(deficit) at end of year	($1,928,888)	($528,354)	($2,457,242)	($2,457,242)
Unamortized net actuarial (gain)/loss	($1,365,891)	($140,730)	($1,506,621)	($1,506,621)
Net future obligation	**($3,294,779)**	**($669,084)**	**($3,963,864)**	**($3,963,864)**
Other employee future benefits	$0	$0	$0	$0
Other compensated absences	$0	$0	$0	$0
Total employee future benefits and compensated absences	**($3,110,968)**	**($450,102)**	**($3,561,071)**	**($3,963,864)**
Benefits Expense				
Current period benefit cost	$89,310	$30,626	$119,936	$113,050
Interest accrued	$60,291	$17,015	$77,305	$72,712
Plan amendments	$0	$0	$0	$0
Amortization of actuarial gains	($181,199)	($20,038)	($201,237)	($255,468)
Total Expense	**($31,598)**	**$27,603**	**($3,996)**	**($69,706)**

The discount rate used to determine the accrued benefit obligation is an average of 3.80%. No inflation rate was applied. The expected payments during the next five fiscal years are:

	Severance & Removal $	**Compensated Absences $**	**Total $**
2019	$326,440	$83,323	$409,763
2020	$286,782	$78,300	$365,082
2021	$271,431	$71,593	$343,024
2022	$217,017	$59,883	$276,900
2023	$167,262	$48,552	$215,814
	$1,268,932	**$341,651**	**$1,610,583**

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2018

18. Trust Assets Under Administration

	2018	2017
Andrew John Piche Scholarship Fund	$80,030	$80,030

19. Tangible Capital Assets

Nothing to report.

20. Prepaid Expenses

Nothing to report.

21. GNWT Assests Provided at no Cost.

	Cost	Acc. Amort.	2018 NBV	2017 NBV
Joseph Burr Tyrrell School	$9,505,610	$5,106,439	$4,399,171	$4,551,939
Paul William Kaeser School	$7,635,685	$5,123,105	$2,512,580	$2,727,032
Deninu School	$4,991,454	$4,991,454	$0	$0
Lutsel K'e Dene School	$2,117,192	$1,733,279	$383,913	$440,789
Princess Alexandra School	$7,672,236	$5,233,029	$2,439,207	$2,716,496
Diamond Jenness School	$34,298,324	$11,557,308	$22,741,016	$24,014,147
Harry Camsell School	$6,615,080	$4,162,691	$2,452,389	$2,468,264
Chief Sunrise Education Ctr.	$2,444,710	$1,102,321	$1,342,389	$1,415,163
DJSS Trades Building	$2,423,804	$466,358	$1,957,446	$2,017,985
Hay River Central Seacan	$832,998	$402,616	$430.382	$485,916
PWK High School Seacan	$687,229	$332,160	$355,069	$400,884
PWK Welding Shop	$389,368	$35,692	$353,676	$363,411
	$79,613,690	$40,246,452	$39,367,238	$41,602,025

22. Contractual Obligations

	Expired in 2018	2019	2020 Onward	Total
Commercial/Residential Leases	$158,650	$ 52,884	$ 0	$211,534
Equipment Leases	9,575	693	0	10,268
Totals	$168,225	$ 53,577	$ 0	$221,802

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

	2018	2017
Dept. of Finance	$ 989 548	$1,139,673
Dept. of Education, Culture and Employment	23,341	13,503
Dept. of Finance	972	0
Princess Alexandra School	0	345

Accounts Receivable

Lutsel K'e DEA	$ 0	2,034
Diamond Jenness School	0	260
Paul William Kaeser School	0	1,643
Joseph Burr Tyrrell School	0	1,544
Dept. of Finance	11,950	6,570
Dept. of Health and Social Services	0	250
Dept. of Education, Culture and Employment	84,797	91,556
Aurora College	4,410	0

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 August 8, 2016 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 liability approximate fair value due to the immediate and short-term maturity of these instruments.

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

It is management's opinion that the Council is not exposed to significant interest rate, currency, market, credit, liquidity or cash flow risks arising from these financial instruments and that there are no significant concentrations of such risks.

28. Expenses by Object

	2018 Budget	2018 Actual	2017 Actual
Compensation	$22,223,104	$22,494,778	$23,744,651
Other	4,043,697	3,817,015	3,307,764
Total	$26,266,801	$26,311,792	$27,052,415

29. Subsequent Events

Nothing to report.

30. Comparative Figures

Nothing to report.

31. ECE Other Contributions

Self-Regulations Resources	$ 4,837
Career Coordinator	144,593
Northern Distance Learning	64,673
TLC Funding	338,000
Three Feathers	25,000
French (FSL) Funding	288,000
First Nations Storybook App	30,000
K'atlodeeche Dictionary Project	30,220
Let's Read	27,250
Trades Awareness	36,500
Labour Market Assessment for Persons with Disabilities	50,065
Post-Intensive French	58,800
Culture Camp – Lutsel K'e	34,857
Lunch meeting re:school reno in Lutsel K'e	4,900
Intensive French	10,370
Additional Funding from SSDEC to HRDEA	72,589
Career Forum	5,300
Library Funding	35,000
Total	$ 1,260,954

32. GNWT Other Contributions

Health & Social Services	
Drop the Pop	$ 15,726
Energy & Natural Resources	
Take a Kid Trapping	40,000
Municipal & Community Affairs	

Youth Corps	45,000
Child/Youth Resiliency	39,003
Active After School	116,888
Regional Youth Sports	14,200
Industry, Tourism & Investment	
Forestry Program	8,335
Career Forum	15,000
Total	$294,152

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 $1,155,519 consisting mainly of school staffing surpluses as detailed in Schedule 27 to the financial statements.

Schedule 1

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers	$12,701,313	$2,293,842	$0	$1,478,401	$0	$16,473,556
Instruction Assistants	$87,887	$1,984,880	$0	$29,221	$0	$2,101,988
Non-Instructional Staff	$1,553,834	$197,327	$1,528,867	$0	$0	$3,280,028
Board/Trustee Honoraria	$10,235	$0	$35,543	$23,721	$0	$69,499
Employee Benefits						
Employee Benefits/Allowances	($26,556)	$77,612	$4,709	$24,836	$0	$80,601
Leave & Termination Benefits	$253,640	$174,331	$5,350	$55,786	$0	$489,107
Services Purchased/Contracted						
Professional/Technical Services	$156,756	$64,487	$40,266	$93,841	$0	$355,350
Postage/Communication	$74,992	$0	$45,720	$216	$0	$120,928
Utilities	$1,900	$0	$0	$0	$0	$1,900
Travel	$151,500	$116,230	$89,235	$63,740	$0	$420,705
Student Travel	$32,631	$0	$0	$2,700	$0	$35,331
Advertising/Printing/Publishing	$3,619	$353	$10,307	$58,516	$0	$72,795
Maintenance/Repair	$14,704	$0	$110,519	$78	$0	$125,302
Rentals/Leases	$47,585	$1,645	$181,365	$9,445	$0	$240,041
Contracted Services	$371,311	$53,879	$14,886	$213,745	$0	$653,820
Materials/Supplies/Freight						
Materials	$1,087,550	$174,747	$209,244	$281,609	$0	$1,753,150
Freight	$16,171	$959	$13,513	$7,050	$0	$37,693
Total	**$16,539,072**	**$5,140,291**	**$2,289,524**	**$2,342,905**	**$0**	**$26,311,792**

Schedule 2

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$86,187	$166,020
Cash Held in Trust	80,030	80,030
Other Accounts Receivable (net)	24,020	1,033
Total Financial Assets	**$190,237**	**$247,083**
Liabilities		
Accounts Payable & Accrued Liabilities	($152)	($3)
Trust Liability	80,030	80,030
Total Liabilities	**$79,878**	**$80,027**
Net Financial Resources	**$110,359**	**$167,057**
Fund Balance	**$110,359**	**$167,057**

Schedule 3

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018	2017
REVENUES			
ECE Contributions			
ECE Regular Contributions	$581,931	$581,931	$456,529
Other ECE Contributions	0	139,679	15,602
Total ECE Contributions	**$581,931**	**$721,610**	**$472,131**
Other GNWT Contributions	$0	$25,722	$22,400
Total GNWT Contributions	**$581,931**	**$747,332**	**$494,531**
Generated Funds			
Investment Income	$400	$548	$547
Other	52,000	106,141	67,515
Total Generated Funds	**$52,400**	**$106,690**	**$68,062**
Total Revenues	**$634,331**	**$854,022**	**$562,593**
EXPENSES (Schedule 4)			
Administration	$69,600	$116,730	$92,035
School Programs	454,538	623,211	380,912
Inclusive Schooling	32,985	52,197	13,210
Aboriginal Language/Cultural Programs	65,585	118,582	85,646
Total Expenses	**$622,708**	**$910,720**	**$571,803**
Operating Surplsu/(Deficit)	**$11,623**	**($56,698)**	**($9,209)**
Fund Balance at beginning of year		**167,057**	**176,266**
Prior Period Adjustment		**$0**	**0**
Fund Balance at end of year		**$110,359**	**$167,057**

Schedule 4

FORT SMITH DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers	$2,654					$2,654
Instruction Assistants						$0
Non-Instructional Staff			$73,065			$73,065
Board/Trustee Honoraria						$0
Employee Benefits						
Employee Benefits/Allowances						$0
Leave & Termination Benefits						$0
Services Purchased/Contracted						
Professional/Technical Services						$0
Postage/Communication	$29,028		$3,225			$32,253
Utilities						$0
Travel						$0
Student Travel						$0
Advertising/Printing/Publishing						$0
Maintenance/Repair	$12,250					$12,250
Rentals/Leases	$13,680		$1,520			$15,200
Contracted Services	$75,638					$75,638
Materials/Supplies/Freight						
Materials	$489,962	$52,197	$38,919	$118,582		$699,660
Freight						$0
Total	**$623,211**	**$52,197**	**$116,730**	**$118,582**	**$0**	**$910,720**

Schedule 5

HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$135,605	$176,910
Due from the GNWT	0	0
Other Accounts Receivable (net)	6,331	23,481
Total Financial Assets	**$141,936**	**$200,391**
Liabilities		
Accounts Payable & Accrued Liabilities	$2,459	$1,019
Total Liabilities	**$2,459**	**$1,019**
Net Financial Resources	**$139,477**	**$199,372**
Fund Balance	**$139,477**	**$199,372**

Schedule 6

HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
ECE Regular Contributions	$615,915	$615,915	$552,864
Other ECE Contributions	0	134,215	140,341
Total ECE Contributions	**$615,915**	**$750,130**	**$693,205**
Other GNWT Contributions	$0	$92,501	$31,200
Total GNWT Contributions	**$615,915**	**$842,631**	**$724,405**
Generated Funds			
Investment Income	$0	$502	$599
Other	19,500	29,450	97,262
Total Generated Funds	**$19,500**	**$29,952**	**$97,861**
Total Revenues	**$635,415**	**$872,583**	**$822,266**
EXPENSES (Schedule 7)			
Administration	$120,476	$149,061	$150,849
School Programs	514,939	703,449	583,468
Inclusive Schooling	0	0	0
Aboriginal Language/Cultural Programs	0	79,968	52,568
Total Expenses	**$635,415**	**$932,478**	**$786,885**
Operating Surplus/(Deficit)	**$0**	**($59,895)**	**$35,381**
Fund Balance at beginning of year		**199,372**	**163,991**
Fund Balance at end of year		**$139,477**	**$199,372**

Schedule 7

HAY RIVER DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers						$0
Instruction Assistants	$87,887			$29,221		$117,108
Non-Instructional Staff			$106,758			$106,758
Board/Trustee Honoraria			$6,360			$6,360
Employee Benefits						
Employee Benefits/Allowances						$0
Leave & Termination Benefits						$0
Services Purchased/Contracted						
Professional/Technical Services	$105,040					$105,040
Postage/Communication	$24,033		$2,696			$26,729
Utilities						$0
Travel						$0
Student Travel	$700					$700
Advertising/Printing/Publishing						$0
Maintenance/Repair						$0
Rentals/Leases	$32,260					$32,260
Contracted Services	$149,788					$149,788
Materials/Supplies/Freight						
Materials	$303,741		$24,542	$50,747		$379,030
Freight			$8,705			$8,705
Total	**$703,449**	**$0**	**$149,061**	**$79,968**	**$0**	**$932,478**

Schedule 8

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$50,145	$14,661
Other Accounts Receivable (net)	6,900	3,274
Total Financial Assets	**$57,045**	**$17,935**
Liabilities		
Accounts Payable & Accrued Liabilities	$5,141	$3,262
Deferred Revenue	$1,278	$0
Total Liabilities	**$6,419**	**$3,262**
Net Financial Resources	**$50,626**	**$14,673**
Fund Balance	**$50,626**	**$14,673**

Schedule 9

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$81,079	$81,079	$56,091
Other ECE Contributions	0	26,342	52,498
Total ECE Contributions	**$81,079**	**$107,421**	**$108,589**
Other GNWT Contributions	$0	$39,278	$9,000
Total GNWT Contributions	**$81,079**	**$146,700**	**$117,589**
Generated Funds			
Investment Income	$0	$3	$3
Donations	$0	$21,550	$0
Other	0	26,151	10,737
Total Generated Funds	**$0**	**$47,704**	**$10,740**
Total Revenues	**$81,079**	**$194,404**	**$128,329**
EXPENSES (Schedule 7)			
Administration	$43,180	$49,101	$33,820
School Programs	29,499	66,498	44,976
Inclusive Schooling	0	3,463	17,000
Aboriginal Language/Cultural Programs	8,400	39,389	11,783
Total Expenses	**$81,079**	**$158,451**	**$107,580**
Operating Surplus/(Deficit)	**$0**	**$35,953**	**$20,749**
Fund Balance at beginning of year		**$14,673**	**($6,076)**
Fund Balance at end of year		**$50,626**	**$14,673**

Schedule 10

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers	$700			$7,200		$7,900
Instruction Assistants						$0
Non-Instructional Staff			$14,398			$14,398
Board/Trustee Honoraria	$10,235		$8,855	$12,021		$31,111
Employee Benefits						
Employee Benefits/Allowances						$0
Leave & Termination Benefits						$0
Services Purchased/Contracted						
Professional/Technical Services						$0
Postage/Communication			$3,177			$3,177
Utilities						$0
Travel	$5,786	$2,421	$68	$404		$8,678
Student Travel						$0
Advertising/Printing/Publishing						$0
Maintenance/Repair	$3,014		$762			$3,777
Rentals/Leases			$3,669			$3,669
Contracted Services			$5,861	$3,839		$9,700
Materials/Supplies/Freight						
Materials	$46,763	$1,042	$12,312	$15,926		$76,042
Freight						$0
Total	**$66,498**	**$3,463**	**$49,101**	**$39,389**	**$0**	**$158,451**

Schedule 11

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$151,624	$92,608
Due from GNWT	0	0
Other Accounts Receivable (net)	0	0
Total Financial Assets	**$151,624**	**$92,608**
Liabilities		
Payroll Liabilities	$960	$552
Total Liabilities	**$960**	**$552**
Net Financial Resources	**$150,664**	**$92,056**
Fund Balance	**$150,664**	**$92,056**

Schedule 12

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$86,688	$116,356	$82,286
Other ECE Contributions	0	122,971	85,534
Total ECE Contributions	**$86,688**	**$239,327**	**$167,820**
Other GNWT Contributions	$0	$59,357	$88,016
Total GNWT Contributions	**$86,688**	**$298,684**	**$255,836**
Generated Funds			
Investment Income	$0	$126	$34
Other	0	35,000	25,000
Total Generated Funds	**$0**	**$35,126**	**$25,034**
Total Revenues	**$86,688**	**$333,810**	**$280,869**
EXPENSES (Schedule 7)			
Administration	$33,500	$41,101	$37,127
School Programs	24,188	151,959	260,373
Inclusive Schooling	0	31,935	38,342
Aboriginal Language/Cultural Programs	29,000	50,208	35,210
Total Expenses	**$86,688**	**$275,202**	**$371,053**
Operating Surplus/(Deficit)	**$0**	**$58,608**	**($90,183)**
Fund Balance at beginning of year		**92,056**	**182,239**
Fund Balance at end of year		**$150,664**	**$92,056**

Schedule 13

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers						$0
Instruction Assistants						$0
Non-Instructional Staff	$39	$25,187	$4,479			$29,704
Board/Trustee Honoraria			$9,050			$9,050
Employee Benefits						
Employee Benefits/Allowances						$0
Leave & Termination Benefits						$0
Services Purchased/Contracted						
Professional/Technical Services						$0
Postage/Communication			$5,101			$5,101
Utilities	$1,900					$1,900
Travel	$16,076			$5,600		$21,676
Student Travel	$4,735			$250		$4,985
Advertising/Printing/Publishing	$1,219		$2,046			$3,265
Maintenance/Repair			$489	$78		$567
Rentals/Leases			$3,786			$3,786
Contracted Services	$34,990	$1,463		$18,980		$55,433
Materials/Supplies/Freight						
Materials	$90,393	$5,199	$16,152	$24,233		$135,977
Freight	$2,607	$87		$1,066		$3,759
Total	**$151,959**	**$31,935**	**$41,101**	**$50,208**	**$0**	**$275,202**

Schedule 14

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$8,906	$7,952
Other Accounts Receivable (net)	4,800	0
Total Financial Assets	**$13,706**	**$7,952**
Liabilities		
Bank Indebtedness	$0	$0
Accounts Payable & Accrued Liabilities	245	95
Total Liabilities	**$245**	**$95**
Net Financial Resources	**$13,460**	**$7,857**
Fund Balance	**$13,460**	**$7,857**

Schedule 15

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$100,806	$100,806	$74,829
Other ECE Contributions	0	62,807	36,863
Total ECE Contributions	**$100,806**	**$163,613**	**$111,692**
Other GNWT Contributions	$0	$21,636	$33,936
Total GNWT Contributions	**$100,806**	**$185,249**	**$145,628**
Generated Funds			
Investment Income	$0	$0	$0
Donations	0	59,790	61,849
Other	0	17,050	10,399
Total Generated Funds	**$0**	**$76,840**	**$72,248**
Total Revenues	**$100,806**	**$262,089**	**$217,876**
EXPENSES (Schedule 7)			
Administration	$42,500	$31,263	$32,691
School Programs	40,000	139,221	124,955
Inclusive Schooling	0	3,889	2,105
Aboriginal Language/Cultural Programs	18,000	82,114	32,081
Total Expenses	**$100,500**	**$256,486**	**$191,833**
Operating Surplus/(Deficit)	**$306**	**$5,603**	**$26,043**
Fund Balance at beginning of year		**7,857**	**(18,186)**
Fund Balance at end of year		**$13,460**	**$7,857**

Schedule 16

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers	$4,491			$7,950		$12,440
Instruction Assistants						$0
Non-Instructional Staff						$0
Board/Trustee Honoraria			$7,478			$7,478
Employee Benefits						
Employee Benefits/Allowances						$0
Leave & Termination Benefits						$0
Services Purchased/Contracted						
Professional/Technical Services						$0
Postage/Communication	$1,019		$4,112			$5,131
Utilities						$0
Travel	$480	$2,185	$100	$5,965		$8,731
Student Travel	$27,196			$2,450		$29,646
Advertising/Printing/Publishing	$2,400					$2,400
Maintenance/Repair	($560)					-$560
Rentals/Leases	$1,645	$1,645	$1,770	$9,445		$14,505
Contracted Services	$12,525		$8,850	$41,575		$62,950
Materials/Supplies/Freight						
Materials	$76,705		$8,094	$13,918		$98,717
Freight	$13,320	$59	$859	$810		$15,048
Total	**$139,221**	**$3,889**	**$31,263**	**$82,114**	**$0**	**$256,486**

Schedule 17

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2018

	2018	2017
Financial Assets		
Cash and Cash Equivalents	$7,382,960	$6,323,632
Due from the GNWT	101,157	98,376
Other Accounts Receivable	99,712	182,335
Total Financial Assets	**$7,583,829**	**$6,604,343**
Liabilities		
Current		
Accounts Payable and Accrued Liabilities	$86,748	$53,846
Due to the GNWT	39,446	13,848
Payroll Liabilities	989,548	1,139,026
Deferred Revenue	27,272	7,067
Post-Employment Benefits	3,561,071	3,963,864
Total Liabilities	**$4,704,084**	**$5,177,651**
Net Financial Resources	**$2,879,745**	**$1,426,692**
Non-Financial Assets		
Prepaid Expenses (Note 20)	$0	$0
Accumulated Fund Balance	**$2,879,745**	**$1,426,692**

Schedule 18

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
For the Year Ended June 30, 2018

	2018	2017
Annual Surplus/(Deficit) (Schedule 19)	$1,453,053	($899,348)
Prior Year Adjustments	0	0
Increase/(Decrease) in Net Financial Resources	**$1,453,053**	**($899,348)**
Opening net Financial Resources	1,426,692	2,326,040
Closing Net Financial Resources	$2,879,745	$1,426,692

Schedule 19

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2018

	2018 Budget (unaudited)	2018 Actual	2017 Actual
REVENUES			
ECE Contributions			
Regular ECE Contributions	$24,916,048	$25,671,174	$24,210,619
Other ECE Contributions	208,000	1,094,716	822,968
Total ECE Contributions	**$25,124,048**	**$26,765,890**	**$25,033,587**
Other GNWT Contributions	$789,508	$55,658	$326,000
Total GNWT Contributions	**$25,913,556**	**$26,821,548**	**$25,359,587**
Federal Government	**$0**	**$0**	**$0**
Other Education Bodies	**$60,000**	**$0**	**$0**
Generated Funds			
Investment Income	$80,000	$100,159	$57,664
Non-GNWT Contributions	0	123,314	251,883
Donations	0	3	90,592
Other	0	44,529	31,857
Total Generated Funds	**$80,000**	**$268,004**	**$431,995**
Total Revenues	**$26,053,556**	**$27,089,552**	**$25,791,582**
EXPENSES			
Administration	$1,907,173	$1,902,266	$1,796,119
School Programs	15,962,573	14,986,170	16,904,483
Inclusive Schooling	4,980,191	5,048,807	4,700,802
Aboriginal Language/Cultural Programs	1,920,777	2,135,186	2,001,924
Transfers to DEAs	1,496,087	1,564,070	1,287,602
Total Expenses	**$26,266,801**	**$25,636,499**	**$26,690,930**
Operating Surplus/(Deficit)	**($213,245)**	**$1,453,053**	**($899,348)**
Fund Balance at beginning of year		**1,426,692**	**2,326,040**
Fund Balance at end of year		**$2,879,745**	**$1,426,692**

Schedule 20

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF EXPENSES
(Non-Consolidated)
For the Year Ended June 30, 2018

	School Programs	Inclusive Schooling	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries						
Teachers	$12,693,469	$2,293,842		$1,463,251		$16,450,562
Instruction Assistants		$1,984,880				$1,984,880
Non-Instructional Staff	$1,553,795	$172,140	$1,330,168			$3,056,103
Board/Trustee Honoraria			$3,800	$11,700		$15,500
Employee Benefits						
Employee Benefits/Allowances	($26,556)	$77,612	$4,709	$24,836		$80,601
Leave & Termination Benefits	$253,640	$174,331	$5,350	$55,786		$489,107
Services Purchased/Contracted						
Professional/Technical Services	$51,716	$64,487	$40,266	$93,841		$250,310
Postage/Communication	$20,912		$27,409	$216		$48,537
Utilities						$0
Travel	$129,158	$111,623	$89,067	$51,771		$381,618
Student Travel						$0
Advertising/Printing/Publishing		$353	$8,261	$58,516		$67,130
Maintenance/Repair			$109,268			$109,268
Rentals/Leases			$170,621			$170,621
Contracted Services	$98,370	$52,416	$175	$149,351		$300,313
Materials/Supplies/Freight						
Materials	$116,421	$116,309	$109,225	$63,743		$405,698
Freight	$244	$814	$3,949	$5,174		$10,180
Transfers to DEA's	$95,000			$157,000	$1,564,070	$1,816,070
Total	$14,986,170	$5,048,807	$1,902,266	$2,135,186	$1,564,070	$25,636,499

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
INCLUSIVE SCHOOLING
For the Year Ended June 30, 2018

	General Expenditures	Staff Development	Assistive Technology	Magnet Facilities	Total
Salaries					
Regional Coordinator	$169,069				$169,069
Program Support Teachers	$1,884,751			$242,149	$2,126,900
Support Assistants	$2,180,079				$2,180,079
Employee Benefits					
Employee Benefits/Allowances *	$251,943				$251,943
Services Purchased/Contracted					
Professional/Technical Services	$64,487				$64,487
Travel	$4,606	$111,623			$116,229
Student Transportation (Bussing)	$2,223				$2,223
Advertising/Printing/Publishing	$353				$353
Maintenance/Repair					$0
Rentals/Leases	$1,645				$1,645
Contracted Services	$51,656				$51,656
Materials/Supplies/Freight					
Materials	$131,322	$9,800	$33,625		$174,747
Freight	$146		$814		$960
Total	$4,742,280	$121,423	$34,439	$242,149	$5,140,290

Schedule 22

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDSES
INDIGENOUS LANGUAGE AND EDUCATION
For the Year Ended June 30, 2018

	Student Instruction	Teaching Resources	Professional Development	School ** Activities	Total
Salaries					
ALCBE Teachers	$1,111,710			$15,150	$1,126,860
Language Consultants	$87,114			$29,221	$116,335
Instruction Assistants	$312,711				$312,711
Non-Instructional Staff					$0
Honoraria		$11,700		$12,021	$23,721
Employee Benefits					
Employee Benefits/Allowances *	$80,622				$80,622
Services Purchased/Contracted					
Professional/Technical Services		$93,841			$93,841
Travel		$51,771		$11,969	$63,740
Student Transportation (Bussing)				$2,700	$2,700
Advertising/Printing/Publishing		$58,516			$58,516
Maintenance/Repair				$78	$78
Rentals/Leases			$100	$9,445	$9,545
Contracted Services		$101,067		$64,394	$165,461
Materials/Supplies/Freight					
Materials		$63,774	$85	$223,407	$287,266
Freight		$5,174		$1,876	$7,050
Total	$1,592,157	$385,843	$185	$370,261	$2,348,447

* from Schedule 20
** from respective DEA schedules

Schedule 23

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
FRENCH LANGUAGE
For the Year Ended June 30, 2018

	Contributions July 1, 2017 to June 30, 2018	SSDEC Commitment July 1, 2017 to June 30, 2018	Total Expenses July 1, 2017 to June 30, 2018	Under/(Over) Funding
Bilateral Agreement Funding				
Core French 1-12 (salary)	$193,000	$234,000	$444,999	($17,999)
Immersion Pioneer Class (salary)	70,000	$50,000	$522,517	($402,517)
Resources	10,000	$5,000	$38,784	($23,784)
Partnership with YK1	15,000		$15,000	$0
French Monitor		$6,000	$52,330	($46,330)
Professional Development		$5,000	$24,839	($19,839)
French Language Communications	5,000			
Intensive French: Salary	45,000	$30,000	$248,222	($173,222)
Intensive French: Camp				$0
Intensive French: Resources	6,000	$4,000	$16,370	($6,370)
Intensive French: Training/Visits	7,800	$5,200	$7,965	$5,035
Totals	$351,800	$339,200	$1,371,027	($685,027)

Schedule 24

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
INDIGENOUS LANGUAGES EDUCATION (Federal Contribution)
For the Year Ended June 30, 2018

	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	Total 2017/18
Revenues			
Funding Received	$338,000		$338,000
Total Funding	$338,000	$0	$338,000
Expenditures			
Materials & Supplies	$223,235	$76,606	$299,841
Wages & Benefit	$17,912	$20,918	$38,829
Total Expenditures	$241,147	$97,523	$338,670
Surplus/(Deficit)	**$96,853**	**($97,523)**	**($670)**

Schedule 25

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
NWT STUDENT SUCCESS INITIATIVE - PROFESSIONAL DEVELOPMENT
For the Period July 1, 2017 to June 30, 2018

Revenue	
Education, Culture and Employment	$55,000
NWTTA	58,095
Total Revenue	$113,095
Expenditures	
Salaries/Wages	
Salaries	$685,389
Facilitator's Fees	$178,068
Substitute Teachers Wages	$9,039
Travel	
Facilitator Travel	$29,909
Staff Travel	$31,622
Accommodation	$17,112
Per Diems	$13,624
Workshop Expenses	
Room Rental	
Tuition	
Refreshments	$1,453
Resources	$16,231
Miscellaneous	$2,750
Total Expenses	$985,196
Net Surplus/(Deficit)	**($872,102)**

Schedule 26

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
NORTHERN DISTANCE LEARNING
For the Year Ended June 30, 2018

	Budget 2017/18	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	Total 2017/18
Revenues				
Education, Culture & Employment	$64,673	$64,673		$64,673
Other				$0
Total Funding	$64,673	$64,673	$0	$64,673
Expenditures				
Support Persons	$50,000	$50,000		$50,000
Network Charges	$14,673		$20,912	$20,912
Total Expenditures	$64,673	$50,000	$20,912	$70,912
Surplus/(Deficit)	$0	**$14,673**	**($20,912)**	**($6,239)**

The SSDEC has only one community (Fort Resolution) participating

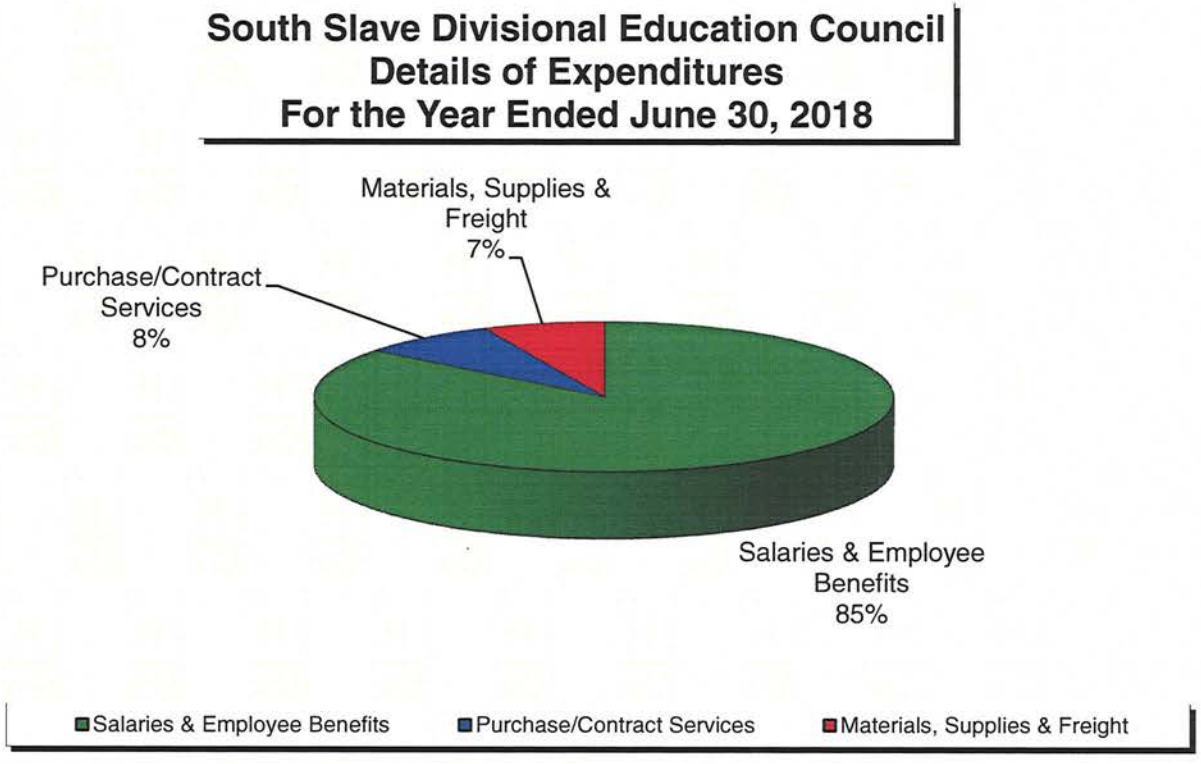
Schedule 27

South Slave Divisional Education Council
2017/18 Fund Balances
(Unaudited)

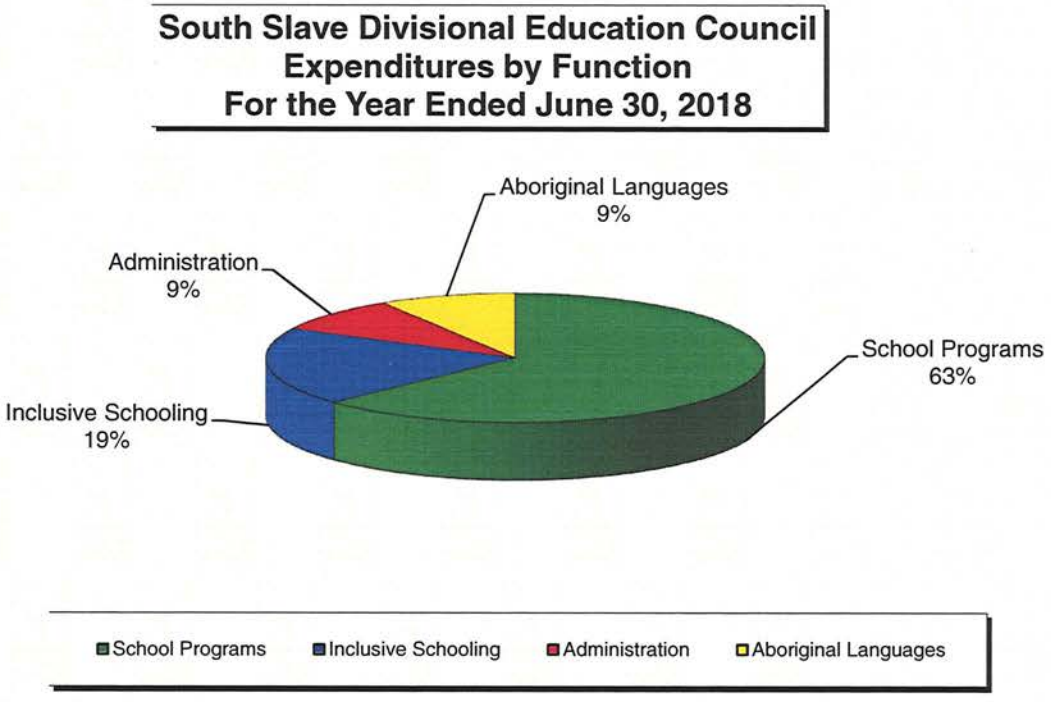
		SSDEC	Fort Smith	Hay River	K'atlodeeche	Fort Resolution	Lutsel K'e
Fund Balances as per audited Financial Statements		$2,879,745	$110,359	$139,477	$50,626	$150,664	$13,460
less: Staffing Surpluses							
- Lutsel K'e Dene School	$58,954						
- Paul William Kaeser	$258,070						
- Harry Camsell	$57,356						
- Joseph Burr Tyrrell	$160,982						
- Chief Sunrise	$100,593						
- Princess Alexandra	$85,469						
- Diamond Jenness Secondary School	$220,000						
- Deninu School	$214,095	($1,155,519)					
Commitments against surpluses							
- Council Office							
- Fort Resolution DEA plan						($146,559)	
- Lutsel K'e DEA plan							($6,939)
- K'atlodeeche plan					($46,427)		
- Hay River DEA plan				($94,280)			
- Fort Smith plan			($72,295)				
Uncommitted Fund Balance		$1,724,226	$38,064	$45,197	$4,199	$4,105	$6,521
2018/19 contributions from SSDEC			$543,776	$645,673	$59,990	$58,636	$93,153
Fund Balance percentage *			7.00%	7.00%	7.00%	7.00%	7.00%

* Calculated as per SSDEC policy DFAA - Financial Surplus
maximum SSDEC fund balance as per policy DFAA - Financial Surplus **$1,942,389**

Salaries & Employee Benefits	$22,494,778
Purchase/Contract Services	$2,026,171
Materials, Supplies & Freight	$1,790,843
Total	$26,311,792



School Programs	$16,539,072
Inclusive Schooling	$5,140,291
Administration	$2,289,524
Aboriginal Languages	$2,342,905
Total	$26,311,792



Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Financial Statements

June 30, 2018

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Annual Financial Report

June 30, 2018

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, 2018 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 2018-2019 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 2018-2019 budget is to allocate our financial resources to allow our students to succeed. The budget will be balanced ensuring that today's dollars are spent to educate today's students with a focus on 21st century learning initiatives and student learning. Appropriate resources have been allocated so that students will have a full range of learning opportunities.

As our educational landscape moves us towards ensuring our students have the skills needed to be successful in the workplace, we will focus on developing the 21st-century skills of collaboration, communication, critical thinking and creativity using innovative teaching models that include inquiry, technology, and interest-based learning in personalized, student-centered environments.

Mission, Values and Beliefs

Yellowknife Catholic Schools is a family of learners: developing faith, celebrating culture, supporting diversity, teaching critical thinking and inspiring service to others.

Through Christ we value: truth, honesty, compassion, respect, forgiveness, service, love and living the faith.

We believe that we are a Catholic, Christ-centered community that strives to nurture the spiritual, intellectual, emotional, social and physical development of all learners.

Board of Trustees

There are seven trustees at Yellowknife Catholic Schools. Mr. Miles Welsh is the Chair and Ms. Erin Currie is the Vice Chair. Other trustees are John Dalton, Revi Lau-a, Tina Schauerte, Amy Kennedy and Steven Voytilla. There are two committees in place – Finance and Facilities. Trustee meetings are held each month and are open to the public. On October 15, 2018 there will be an election of the trustees for a three year term.

Yellowknife Catholic Schools

Yellowknife Catholic Schools

Yellowknife Catholic Schools (YCS) is the only Catholic school board in the Northwest Territories. YCS was established in July 1951 and provides education of students from junior kindergarten to Grade 12.

YCS programs operate out of: École St. Patrick High School (ESPHS), Weledeh Catholic School (WCS), École St. Joseph School (ESJS), the Kimberlite Career and Technical Centre (KCTC), the Tallah Building, the Yellowknife Family Centre, Jim Murphy Maintenance Building and the Central Services Building. All of our facilities are in excellent condition.

The senior administration team consists of Claudia Parker – Superintendent; Simone Gessler – Assistant Superintendent – Learning and Janet Toner – Assistant Superintendent – Business.

The principal at École St. Patrick High School is 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 30th and the teachers that were employed as of September 30, 2017.

	Enrolment	Teachers	Pupil/Teacher Ratio
École St Patrick High School	478	29	16
Weledeh Catholic School	379	23	16
École St Joseph School	562	32	18
KCTC	0	4	0
TTC	0	1	0
	1,419	89	16

There was a total of 146 staff at YCS as of June 2018.

Yellowknife Catholic Schools

Strategic Plan

Vision Statement for 2016-2019

YCS will strive to provide engaging, collaborative, innovative, inquiry and faith-based learning environments as a means to develop versatile and involved learners that are advocates of their personal learning journey.

Goals

The goals of YCS are to:

- Foster inquiry and collaboration throughout the integration of technology and the development of 21st century classrooms.
- Provide rich literacy and numeracy instruction through collaborative and supporting programming
- Develop spiritually and culturally-rich global citizens with a sense of social justice and community awareness

Commitments

YCS is committed to the following:

- Engage in continuous growth and improvement, make decisions to enhance student learning and provide opportunities for the community to learn together.
- Provide all learners with a safe environment that promotes spiritual, academic, physical, emotional, and social growth, encouraging inquiry, innovation and self-reflection.
- Allocate resources based on our vision and commitment to our learners.

YCS realizes its responsibility to provide an excellent education for our students. Our district is proud of its reputation for providing high-quality education to the students of our community through continuous improvement and the cooperative efforts of the Northwest Territories (GNWT) Minister of Education, Culture and Employment (ECE), administration, teachers, staff, students, families and a supportive community.

Financial Condition

The audited consolidated financial statements were prepared for the Government of the Northwest Territories (GNWT) Minister of Education, Culture and Employment (ECE), in accordance with Canadian public sector accounting standards.

Highlights of YCS Financial Position

Financial Assets
The financial and non-financial assets of YCS consist of cash and accounts receivable. The cash balance was $6,348,211 on June 30, 2018 (prior year - $4,215,783) and indicates a good cash flow. The financial position at June 30, 2018 was $6,579,461 (prior year $4,666,773).

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 $773,122 during the year. The debenture for Weledeh Catholic School improvements was paid in full at year end. The remaining debenture of $732,131 is for 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 $650,738 compared to the prior year with a net debt of $1,212,218. 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 $42,988,243 to $41,303,992 which mainly reflects the change in the value of the tangible capital assets owned by Yellowknife Catholic Schools.

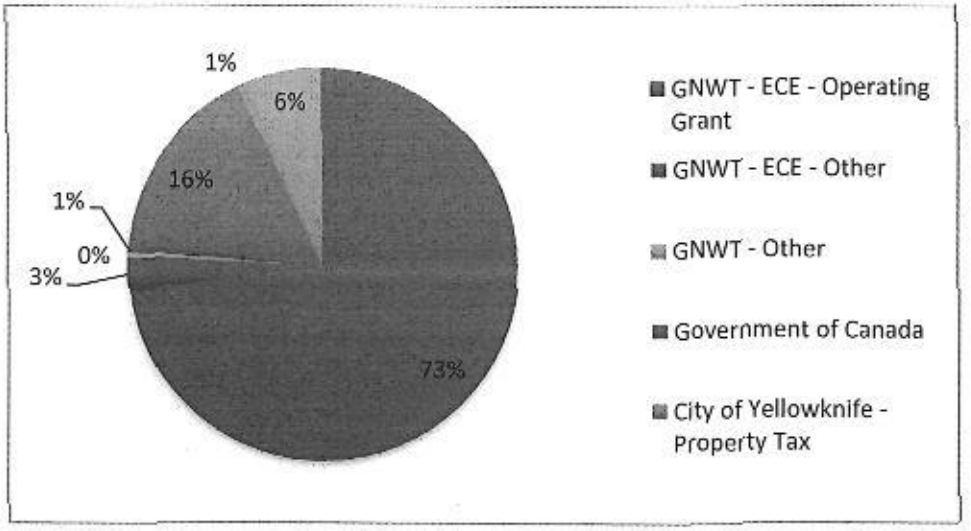
The $1,703,455 decrease in tangible capital assets relates to depreciation of tangible capital assets for this fiscal year partially offset by capital improvements at the Central Services Building. The slope of the roof was modified to allow for better water drainage.

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 67 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 (79%) 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. The revenue from the Department of Education, Culture and Employment was higher than the prior year and budget. This is due to additional funding for the junior kindergarten program. The enrolment in this program was higher than expected and an additional classroom was introduced at École St Joseph School. Also, YCS received $380,448 as termination benefits due to long serving staff retiring.

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. In the 2017-2018 school year, junior kindergarten commenced and there were five classes at École St Joseph School and two classes at Weledeh Catholic School.

Board generated funds include donations, bus pass sales, after school program fees, investment revenue, and rental revenue.

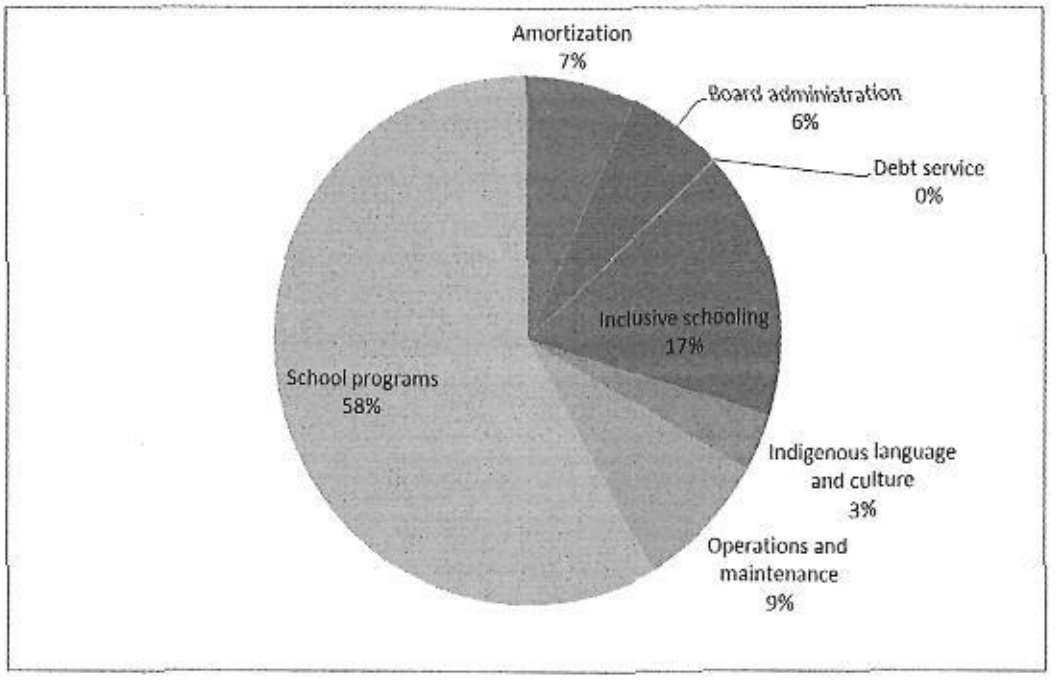
YCS generates revenue from other school districts when a student from that district attends an YCS school and the other district receives GNWT core funding for that student.

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



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 (6%): Includes salary and benefits for central services administrative and technology staff, honoraria for trustees, audit and legal fees, travel costs, advertising and publishing costs.

- Debt service: Relates to interest on long-term debt for the repayment of debentures for Weledeh Catholic School (WCS) and the Tallah Building. The WCS debenture repayments are fully funded through an agreement with the GNWT. Debenture repayments for the Tallah building are mostly funded through lease payments from Aurora College.

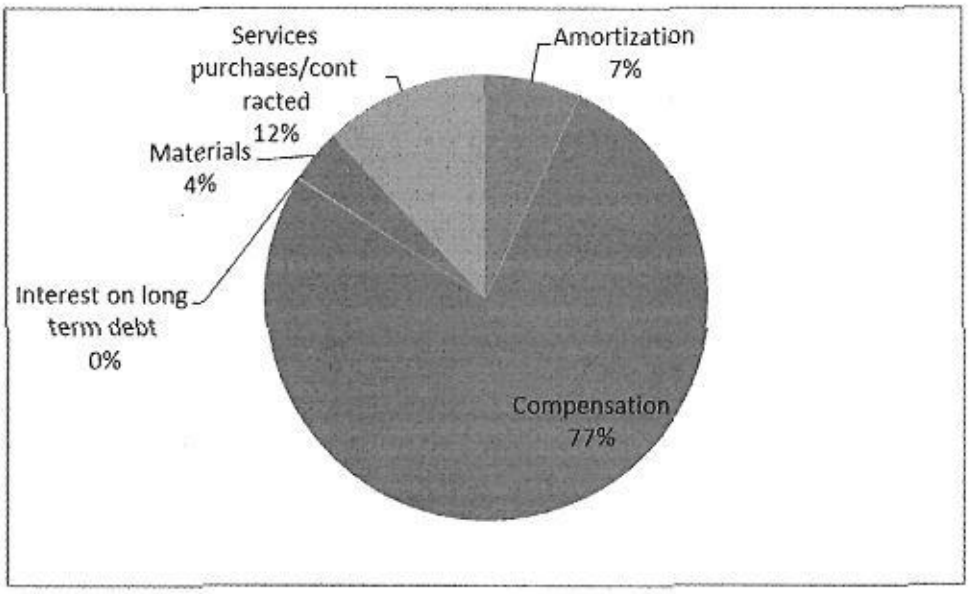
- Inclusive schooling (17%): Expenditures in this program relate to supporting students with diverse needs. This support can include enrichment opportunities as well as supporting students with learning challenges. Salary and benefits for program support teachers, literacy and early intervention teachers, the student services coordinator, counselors, classroom assistants, and advanced placement teachers are included in this category.

- Operations and maintenance (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 (58%): Salary and benefits for the majority of teachers are recorded in this program. Other large components of expenditure in this program are salary and benefits for school administrative assistants, library technicians, and curriculum coordinators, the cost for school textbooks and supplies and the cost of busing services.

- Amortization (7%): This expense relates to the rational and systematic manner to write off the value of the tangible capital asset over an appropriate number of accounting periods.

Expenditures by Object



Expenditures by Object

- Compensation (77%): 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 (4%): Include expenses for material and freight of goods.
- Amortization (7%): This expense relates to the rational and systematic manner to write off the value of the tangible capital asset over an appropriate number of accounting periods.
- Debenture interest: Include interest expense paid during the year for the Weledeh and Tallah building debentures.

Operating Surplus

At the end of the year, there was an operating surplus of $178,705.

Summary of Accumulated Surplus

	Opening	Increase (decrease)	Closing
Operating fund surplus	$ 56,597	$ 931,603	$ 988,200
Investment in tangible capital assets	41,443,636	-930,329	40,513,307
Decentralzied budget accumulated surplus	275,792	177,431	453,223
	$ 41,776,025	$ 178,705	$ 41,954,730

The operating fund surplus increased by $931,603 during the year. This was mainly due to increased funding for the junior kindergarten program and termination benefit funding. The pension costs were lower than expected.

Investment in tangible capital assets represents the amount of funds received and recognized as revenue that allow us to purchase our tangible capital assets less accumulated amortization. The decrease in this account this year is due to amortization of our tangible capital assets offset by the principal portion of the repayment of debentures on WCS and the Tallah Building and offset by the roof improvements at the Central Services building.

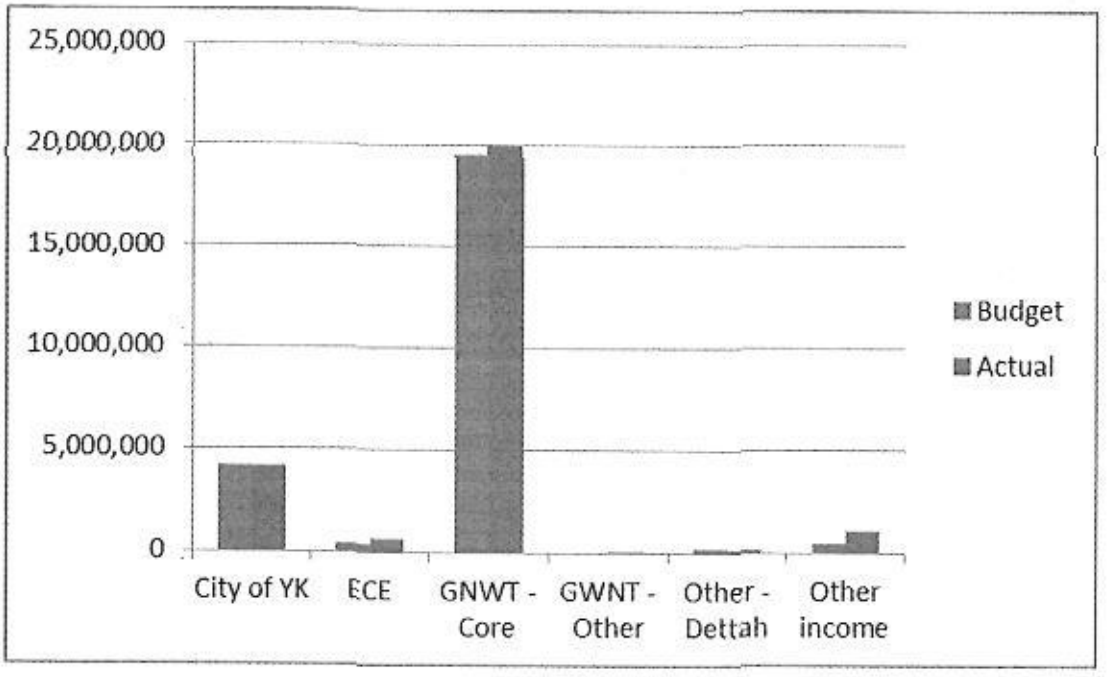
The decentralized budget accumulated surplus consists of funds, which are committed to or designated to specific purposes. The majority of these funds are professional developrnent obligations carried forward under the terms of employment contracts. Other significant amounts in the decentralized budget accumulated surplus are school-based funds. Decisions on expenditure of school based funds are made by individual schools under YCS' School Based Decision Making Procedure.

Budget Variance

Revenue

In 2017-2018 fiscal year, an annual deficit of $838,293 was budgeted and the actual surplus was $178,705. The budgeted revenue for 2017-2018 was $24,858,753 and the actual revenue was $26,167,012. The increase in revenue is due to increased core and other contributions of $1,539,888 from the Government of Education, Culture and Employment. There was increased funding of junior kindergarten and termination benefit funding.

Revenue – Current year (Actual) vs Budget

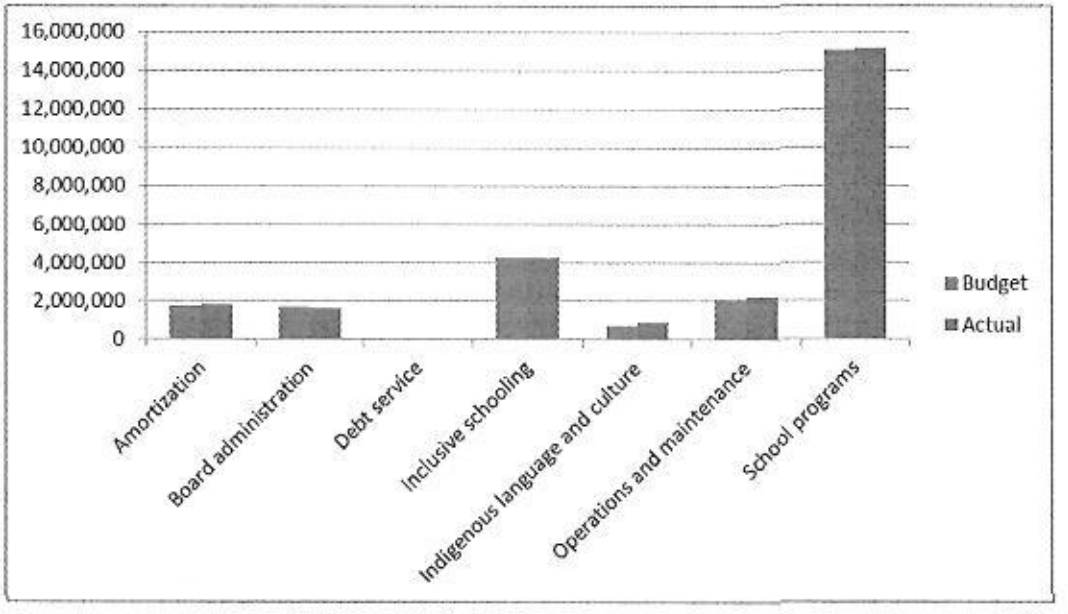


Expenditures

The budgeted expenditures for 2017-2018 were $25,697,046 and the actual expenditures were $25,988,307 resulting in a variance of $291,261. The difference is supplies for the various programs that received extra funding during the year. The variance is mainly due to increased funding in the indigenous language and culture program due to receiving additional funding for the language program.

Expenditures – Budget vs. Actual

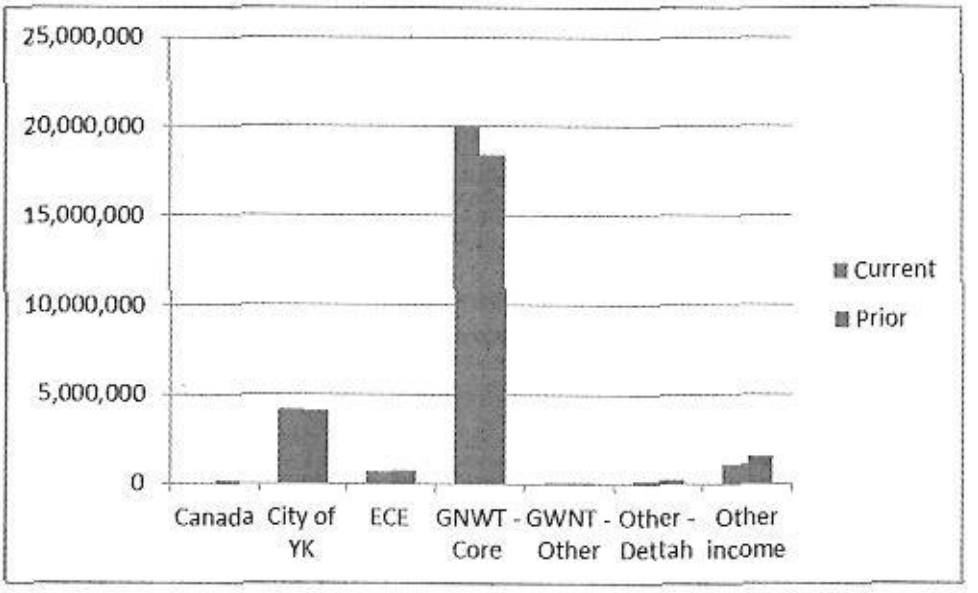
	Budget	Actual	Variance
Amortization	1,770,000	1,798,010	28,010
Board administration	1,722,147	1,624,154	-97,993
Debt service	27,038	20,755	-6,283
Inclusive schooling	4,277,686	4,292,004	14,318
Indigenous language and culture	739,582	910,384	170,802
Operations and maintenance	2,098,947	2,212,506	113,559
School programs	15,061,646	15,130,494	68,848
	25,697,046	25,988,307	291,261



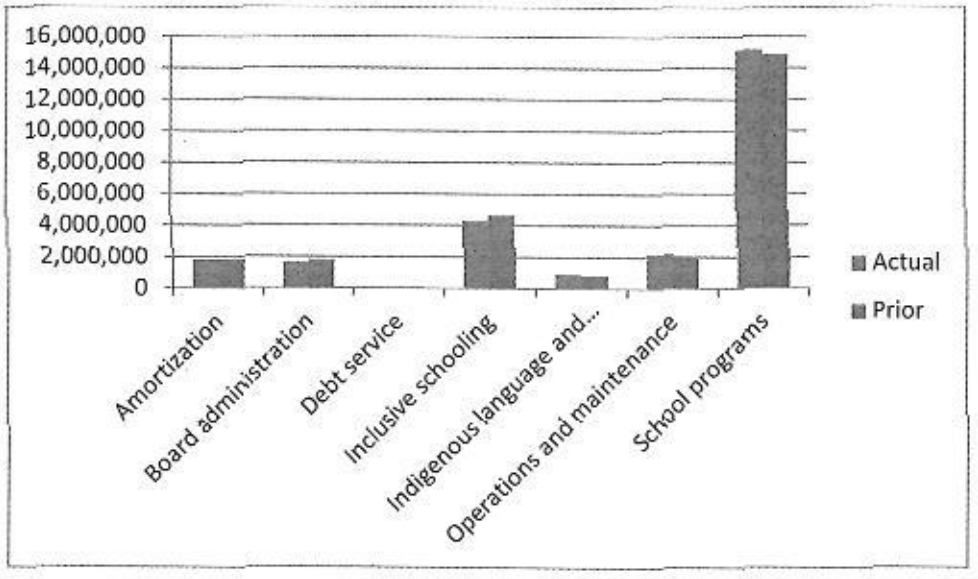
Current Year Compared to Prior Year

The prior year operating deficit was $688,102 and the current operating surplus is $178,705. Revenue in the prior year was $25,281,536 and $26,167,012 in the current year, resulting in a positive variance of $855,476. There was an increased in funding from the Government of Northwest Territories of $1,533,047. Expenditures in the prior year were $25,969,638 and $25,988,307 in the current year resulting in a variance of $18,669.

Revenue – current year (actual) compared to prior year



Expenditures – current year (actual) compared to prior year



Summary and Outlook

The 2018-2019 school year will be an exciting year at all three schools. We will continue to focus on 21st century learning skills. This year we continue the theme of Merciful Hearts, with the specific focus on Mercy that Serves.

As our population is growing, we are challenged by our space needs. The Department of Education, Culture and Employment will install 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 2018-2019, 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. On October 15, 2018 there will be the election of the trustees.

We have developed a five year capital plan that has identified the capital needs of the schools. Many of the projects will save operational costs as we look at providing more energy efficient items in our schools.

In 2018-2019 school year, we will welcome Mr. Todd Stewart as the principal of École St. Patrick High School. Mr. Stewart is the former principal of Weledeh Catholic School and assistant principal of Weledeh Catholic School. We also welcome Ms. Jenny Reid as the principal of Weledeh Catholic School. Ms. Reid is the former assistant principal of the school.

YCS has a small operating fund surplus for the year and has a strong cash position that will allow us to continue to operate in a financially prudent manner in the future. We will continue to be challenged to provide quality education in a fiscally responsible manner. While we are faced with financial constraints, we will ensure that today's dollars are spent on today's students. This will ensure that all of our students are prepared for their exciting lives.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Financial Statements

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2018

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 Tuner **Assistant Superintendent - Business**

September 19, 2018

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Independent Auditors' Report

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

Report on Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of the YCS ("Yellowknife Catholic Schools"), which comprises the consolidated statement of financial position as at June 30, 2018, and the consolidated statement of changes in net debt, consolidated statement of operations and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal controls. An audit also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Crowe MacKay

Independent Auditors' Report (continued)

Opinion
In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yellowknife Catholic Schools as at June 30, 2018 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements
We further report, in accordance with the *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 Yellowknife Catholic Schools, the consolidated financial statements are in agreement therewith and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of Yellowknife Catholic Schools.

Crowe Mackay LLP

Yellowknife, Northwest Territories
September 19, 2018

Chartered Professional Accountants

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2018	2017
Financial Assets		
Cash and cash equivalents (Note 4)	$ 6,348,211	$ 4,215,783
Due from the Government of Canada (Note 13)	112,451	132,809
Accounts receivable (Note 8)	118,799	318,181
	6,579,461	4,666,773
Liabilities		
Accounts payable and accrued liabilities (Note 10)	874,980	605,147
Payroll benefits payable	172,841	206,784
Due to the Government of Canada (Note 13)	436,752	11,685
Pensions (Note 15)	138,900	101,300
Long term debt (Note 16)	732,131	1,505,253
Post-employment benefits (Note 17)	973,137	806,054
Accrued payroll liabilities (Note 35)	2,599,982	2,642,768
	5,928,723	5,878,991
Net asset (debt)	**650,738**	(1,212,218)
Non-financial Assets		
Tangible capital assets (Note 19)	41,245,434	42,948,889
Prepaid expenses and deposits (Note 20)	58,558	39,354
	41,303,992	42,988,243
Accumulated Surplus	**$ 41,954,730**	$ 41,776,025
Represented By:		
Operating Fund Surplus	$ 988,200	$ 56,597
Investment in Tangible Capital Assets	40,513,307	41,443,636
Decentralized Budget Accumulated Surplus	453,223	275,792
	$ 41,954,730	$ 41,776,025

Contractual obligations and contingencies (Note 22 and 23)

Approved on behalf of the Board

M Welsh **Trustee**

Trustee

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Operations

For the period ended June 30,	2018 Budget	2018 Actual	2017 Actual
Revenue			
Government of the Northwest Territories			
ECE - Regular contributions	$ 19,593,033	$ 20,035,065	$ 18,424,022
ECE - Other contributions	394,000	657,746	728,901
Total ECE (Note 31)	**19,987,033**	**20,692,811**	19,152,923
GNWT - Other contributions (Note 32)	-	**91,790**	98,631
Total GNWT	**19,987,033**	**20,784,601**	19,251,554
Government of Canada - grants and contributions	-	-	161,108
City of Yellowknife - property tax requisitioned	**4,148,000**	**4,160,923**	4,088,719
Other Education Authorities			
Extra-jurisdictional tuition	250,000	150,934	217,120
Education authority generated funds			
Rentals	178,000	159,684	167,301
Fees and sales	92,000	163,940	430,421
Investments	60,000	86,983	48,293
Donations	5,000	64,150	66,991
Other	138,720	595,797	850,029
Total generated funds	**473,720**	**1,070,554**	1,563,035
	24,858,753	**26,167,012**	25,281,536
Expenditures			
Indigenous language/culture programs (Schedule 3)	739,582	910,384	833,735
Board administration (Schedule 1)	1,722,147	1,624,154	1,793,011
Inclusive schooling (Schedule 2)	4,277,686	4,292,004	4,619,497
School programs (Schedule 1)	15,061,646	15,130,494	14,866,879
Operations and maintenance (Schedule 1)	2,098,947	2,212,506	1,984,141
Amortization (Schedule 1)	1,770,000	1,798,010	1,796,125
Debt service (Schedule 1)	27,038	20,755	76,250
	25,697,046	**25,988,307**	25,969,638
Operating surplus (deficit)	**(838,293)**	**178,705**	(688,102)
Opening accumulated surplus	-	**41,776,025**	42,464,127
Closing accumulated surplus	**$ (838,293)**	**$ 41,954,730**	$ 41,776,025

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Changes in Net Asset (Debt)

For the period ended June 30,	2018 Budget	2018 Actual	2017 Actual
Operating surplus (deficit)	$ (838,293)	$ 178,705	$ (688,102)
Acquisition of tangible capital assets	-	(94,559)	(521,309)
Amortization of tangible capital assets	1,770,000	1,798,010	1,796,125
Change in prepaid expenses and deposits	-	(19,200)	14,755
Decrease in net debt	**931,707**	**1,862,956**	601,469
Net asset (debt), beginning of year	**(1,212,218)**	**(1,212,218)**	(1,813,687)
Net asset (debt), end of year	**$ (280,511)**	**$ 650,738**	$ (1,212,218)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Cash Flows

For the period ended June 30,	2018	2017
Cash provided by (used in):		
Operating transactions		
Operating surplus (deficit)	$ 178,705	$ (688,102)
Items not affecting cash:		
Amortization	1,798,010	1,796,125
	1,976,715	1,108,023
Changes in non-cash assets and liabilities		
Decrease (increase) in due from the Government of Canada	20,358	(13,833)
Decrease (increase) in accounts receivable	199,382	(42,354)
Increase (decrease) in accounts payable	269,833	186,732
Increase (decrease) in payroll benefits payable	(33,943)	(116,144)
Increase (decrease) in due to the Government of Canada	425,067	(21,373)
Increase (decrease) in pensions	37,600	41,400
Increase (decrease) in deferred revenue	-	(66,480)
Increase (decrease) in post employment benefits	167,083	52,837
Increase (decrease) in accrued payroll liabilities	(42,786)	(64,360)
Decrease (increase) in prepaid expenses	(19,200)	14,755
Cash provided by (used in) operating transactions	**1,023,394**	(28,820)
Capital transactions		
Acquisition of tangible capital assets	**(94,559)**	(521,309)
Financing transactions		
Repayment of long term debt	**(773,122)**	(863,764)
Increase (decrease) in cash and cash equivalents	**2,132,428**	(305,870)
Cash and cash equivalents at beginning of year	**4,215,783**	4,521,653
Cash and cash equivalents at end of year (Note 4)	$ **6,348,211**	$ 4,215,783

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Accumulated Surplus

For the period ended June 30,	2018	2017
Operating Fund Surplus		
Operating fund surplus, beginning of year	$ 56,597	$ 339,253
Annual surplus (deficit)	178,705	(688,102)
Transfer from investment in tangible capital assets	930,329	411,052
Transfer from (to) decentralized budget accumulated surplus	(177,431)	(5,606)
Operating fund surplus, end of year	**$ 988,200**	$ 56,597
Transfer from Investment in Tangible Capital Assets consists of:		
Amortization	$ 1,798,010	$ 1,796,125
Capital acquisitions	(94,559)	(521,309)
Debenture principal repayment	(773,122)	(863,764)
	$ 930,329	$ 411,052
Investment in Tangible Capital Assets		
Investment in tangible capital assets, beginning of year	$ 41,443,636	$ 41,854,688
Amortization	(1,798,010)	(1,796,125)
Capital acquisitions	94,559	521,309
Debenture principal repayment	773,122	863,764
Investment in tangible capital assets, end of year	**$ 40,513,307**	$ 41,443,636
Decentralized Budget Accumulated Surplus		
Decentralized budget accumulated surplus, beginning of year	$ 275,792	$ 270,186
Transferred from (to) operating fund surplus	177,431	5,606
Decentralized budget accumulated surplus, end of year	**$ 453,223**	$ 275,792
Total Accumulated Surplus	**$ 41,954,730**	$ 41,776,025

1. Nature of the Organization

Yellowknife Public Denominational District Education Authority, Yellowknife Catholic Schools ("YCS") was established in July 1951 and is presently the only Catholic school board in the Northwest Territories. A full range of instructional programs ranging from Kindergarten through Grade 12 is offered by the YCS.

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

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the YCS includes all aspects of operation and management relating to Catholic education within the boundaries of the City of Yellowknife. The Board of Trustees is the lowest (and sole) level of government exercising oversight responsibility. The consolidated financial statements of the YCS are not included in the financial statements of the City of Yellowknife as the YCS trustees are a separate governing body that is not under the control of the City of Yellowknife. The City of Yellowknife, however, does collect and remit property taxes requisitioned by the Board.

2. Significant Accounting Policies

(a) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity, which is composed of all organizations which are controlled by YCS. These organizations include the three schools, maintenance shop and Kimberlite Career and Technical Centre.

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

YCS uses fund accounting to separate transactions between its Operating fund surplus, Investment in tangible capital assets and Decentralized budget accumulated surplus.

Operating Fund Surplus

The Operating fund surplus is the general operating fund of the YCS in which all transactions concerned with current operations are recorded. Substantially all territorial, local (primarily property tax), and other operating revenue is accounted for in the Operating fund surplus. In accordance with accounting principles that are considered appropriate for organizations of this type, tangible capital assets acquired and debenture debt repayment that are financed with operating funds are treated as expenditures in the Operating fund surplus and then transferred to the Investment in tangible capital asset fund. The Operating fund also accounts for expenditures and contributions to or from other funds (transfers) which provide for day-to-day operations.

2. Significant Accounting Policies (continued)

(a) Basis of Accounting (continued)

Operating Fund Surplus (continued)

In summary, the Operating fund surplus is used to account for all financial activities except those accounted for in the Investment in tangible capital assets fund and Decentralized budget accumulated surplus.

Investment in Tangible Capital Assets

The Investment in tangible capital assets fund is used to account for financial transactions related to the acquisition of tangible capital assets in excess of $50,000.

Properties are carried at cost at the date of acquisition and amortization is recorded in the accounts. The cost of additions and repayment of debentures or other long-term debt is charged to the Investment in tangible capital assets fund. This results in a corresponding increase in the equity in tangible capital assets. Other additions are initially charged to the statement of operations.

Decentralized Budget Accumulated Surplus

The Decentralized budget accumulated surplus fund represents specific amounts eligible for carry-over to subsequent years for each school.

(b) Cash and Cash Equivalents

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

(c) Financial Instruments

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

Financial assets subsequently measured at amortized cost include cash and cash equivalents, accounts receivable, and due from the Government of Canada.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, long term debt, payroll benefits payable, due to the Government of Canada and accrued payroll liabilities.

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 statement of operations as the stipulation liabilities are settled.

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

2. Significant Accounting Policies (continued)

(f) Revenue Recognition (continued)

Government Transfers (continued)
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.

2. Significant 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 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 YCS are not included even if custody of the funds is held by YCS. Examples of excluded funds might be student clubs or associations for which YCS 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 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.

2. Significant 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 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, 2018.

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 statement. Exchange gain or loss resulting from foreign exchange rate would be accounted for in the financial statement.

(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.

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, organize or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exits; contamination exceeds the environmental standard; 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, 2018.

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 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.

Operations and Maintenance: pertains to the operation and maintenance of all YCS buildings and maintenance shop facilities.

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

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.

3. Future Accounting Changes

Restructuring Transactions, Section PS 3430
This new section establishes standards on how to record assets, liabilities, revenues and expenses related to *restructuring transactions as well as disclosure requirements for the recipient and transferor. This Section* applies to fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted. The impact of the transition to these accounting standards is being reviewed by management.

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 assoicatioed with its controlled tangible capital assets.

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

4. Cash and Cash Equivalents

	2018	2017
Cash	$ 6,348,211	$ 4,215,783

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 2018	Net 2017
Due from GNWT	$ 35,775	$ -	$ 35,775	$ 263,563
Due from WSCC	-	-	-	2,136
Due from other	77,156	-	77,156	48,523
Due from related parties	5,868	-	5,868	3,959
Total	**$ 118,799**	**$ -**	**$ 118,799**	$ 318,181

9. Inventories

YCS does not have any material inventories.

10. Accounts Payable and Accrued Liabilities

	2018	2017
Accrued interest	$ -	$ 3,821
Damage deposits	1,611	3,262
Due to GNWT	5,435	1,004
Due to WSCC	13,245	-
Other - fire liability	273,836	-
Trades payable	580,853	597,060
	$ 874,980	$ 605,147

11. Deferred Revenue

YCS does not have any deferred revenue.

12. Contribution Repayable

YCS does not have any contribution repayable.

13. Due from and to the Government of Canada

	Accounts Receivable	AFDA	Net 2018	Net 2017
Receivables				
GST receivable	$ 112,451	$ -	**$ 112,451**	$ 132,809
Payables				
GST payable	$ 21,381	$ -	$ 21,381	$ 11,685
Remittances	415,371	-	415,371	-
	$ 436,752	**$ -**	**$ 436,752**	$ 11,685

14. Capital Lease Obligations

YCS does not have any capital lease obligations.

15. Pensions

(a) Defined Contribution Plan

Since January 1, 1966 Yellowknife Catholic Schools indeterminate staff have had the option to participate in a voluntary Defined Contribution (DC) pension plan. Since January 1, 1988, that participation has been in the Pension Plan for the Employees of Yellowknife Catholic Schools (the Plan).

All DC assets of the Plan are held by a Trustee in favour of individual employees. The only obligation to YCS is to match employee contributions. YCS fully funds its DC obligation under the Plan each month. YCS did not have any liability under the DC provision of the Plan as of June 30, 2018.

Effective May 1, 2013 indeterminate teaching and non-unionized 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.

15. Pensions (continued)

(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 2018 calendar year is $55,900 (2017 - $55,300).

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 2017/2018 Yellowknife Catholic Schools contributed $1,477,634 ($1,535,319 in fiscal 2016/2017) in respect of DB accruals.

15. Pensions (continued)

(b) Defined Benefit Plan (continued)

The date of the most recent actuarial valuation of the Plan was June 30, 2017. 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.

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2018 is as follows:

(d) 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
Fair value, end of year	**$ 19,969,400**	**$ -**	**$ 19,969,400**

15. Pensions (continued)

(e) 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)
Balance, end of year	**$ 18,275,300**	**$ 145,700**	**$ 18,421,000**

(f) 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 of limit on assets	(1,653,600)	-	(1,653,600)
Accrued benefit asset (liability) after limit on assets	**$ -**	**$ (138,900)**	**$ (138,900)**

(g) 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
Pension expense	**$ 1,823,200**	**$ 37,600**	**$ 1,860,800**

15. Pensions (continued)

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2017 is as follows:

(h) Plan assets

	Pension Plan	Supplementary Plan	2017
Fair value, beginning of year	$ 13,112,900	$ -	$ 13,112,900
Expected return on plan assets	643,900	-	643,900
Employer contributions	1,752,100	-	1,752,100
Employee contributions	1,413,400	-	1,413,400
Employee prior service contributions	-	-	-
Benefit payments and expenses	(773,900)	-	(773,900)
Experience (loss) gain	106,700	-	106,700
Fair value, end of year	$ 16,255,100	$ -	$ 16,255,100

(i) Accrued benefit obligations

	Pension Plan	Supplementary Plan	2017
Balance, beginning of year	$ 12,881,900	$ 74,100	$ 12,956,000
Current service cost	2,637,700	38,800	2,676,500
Interest cost on accrued benefit obligation	681,000	1,400	682,400
Employer prior service cost	-	-	-
Employee prior service cost	-	-	-
Benefit payments and expenses	(773,900)	-	(773,900)
(Gains) / losses on accrued benefit obligation	(38,000)	12,100	(25,900)
Balance, end of year	$ 15,388,700	$ 126,400	$ 15,515,100

15. Pensions (continued)

(j) Funded status

	Pension Plan	*Supplementary* Plan	2017
Plan surplus (deficit)	$ 866,400	$ (126,400)	$ 740,000
Unrecognized (gains) losses	255,600	25,100	280,700
Accrued benefit asset (liability) before limit on assets	1,122,000	(101,300)	1,020,700
Impact on limit of assets	(1,122,000)	-	(1,122,000)
Accrued benefit asset (liability)	$ -	$ (101,300)	$ (101,300)

(k) Determination of pension cost

	Pension Plan	Supplementary Plan	2017
Current service cost	$ 1,224,300	$ 38,800	$ 1,263,100
Interest on accrued benefit obligation	37,100	1,400	38,500
Expected return on plan assets	-	*1,200*	*1,200*
Amortization of losses/ (gains)	31,000	-	31,000
Extraordinary items	-	-	-
Change in valuation allowance	459,700	-	459,700
Pension expense	$ 1,752,100	$ 41,400	$ 1,793,500

(l) Actuarial assumptions

	2018	2017
Discount rate - pension plan	**4.75%**	4.50%
Discount rate - supplementary plan	**1.20%**	1.20%
Expected return on plan assets - pension plan	***4.75%***	*4.50%*
Expected return on plan assets - supplementary plan	**n/a**	n/a
Salary increase - pension plan	**2.00%**	2.00%
Salary increase - supplementary plan	**2.00%**	2.00%
Mortality table	**100% of the CPM 2014 *table* ***	100% of the CPM 2014 table *
Expected average remaining services lifetime (EARSL) - pension plan	**13.6 Years**	13.7 Years
Expected average remaining services lifetime (EARSL) - supplementary plan	**9.8 Years**	10.7 Years

* 2018 - 100% of the 2014 Canadian Pensioners' Public Sector Mortality Table with projection scale CPM-B; *2017 - 100% of the 2014 Canadian Pensioners' Private Sector Mortality Table with projection scale CPM-B.*

15. Pensions (continued)

(m) Plan assets consist of:

	2018	2017
Fixed income securities	60%	60%
Equity securities	40%	40%

16. Long Term Debt

	2018	2017
VersaBank (formerly Pacific and Western) debenture facilities number 2, 3, and 4, repayable in monthly installments of $68,016, including interest at 5.73%, final installment was paid in March 2018.	$ -	$ 662,630
Government of the Northwest Territories debenture, repayable in monthly installments of $10,000 including interest. Interest rate consistent with GNWT cost of borrowing at a current rate of 1.80% (2017 - 1.20%). If rates do not change the final installment will be due in 2024.	732,131	842,623
	$ 732,131	$ 1,505,253

The debenture are repayable annually as follows:

2019	$ 111,825
2020	113,156
2021	114,540
2022	115,922
2023 and thereafter	276,688
	$ 732,131

The debentures are registered.

Interest expense on long term debt included in operations and maintenance expenses is $20,755 (2017 - $76,250).

17. Post Employment Benefits and Compensated Absences

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

Severance benefits are paid to YCS employees based on the appropriate combinations that include inputs such as when the employee was hired, the rate of pay, and the number of years of continuous employment. Removal benefits are paid to YCS employees based on the number of years of continuous employment. The benefits under these two categories were actuarially valued using the projected unit credit methodology.

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

Valuation results

An extrapolation of the valuation results was performed as at March 31, 2017 to June 30, 2018, based on the benefit provisions as at March 31, 2018. The effective date of the next actuarial valuation has not been determined. The liabilities are actuarially determined as the present value of the accrued benefits at February 17, 2017 and the results extrapolated to June 30, 2018. The values presented below are for all the benefits under the Compensated Absences and Termination Benefits for the consolidated Government.

Reconciliation of Accrued Benefit Obligation

	Severance and removal	Compensated absences	**2018**	2017
Accrued benefit obligation, beginning of year	$ 824,367	$ 699,627	$ 1,523,994	$ 753,218
Current service cost	48,814	38,488	87,302	49,428
Interest cost	25,066	21,053	46,119	22,708
Benefits paid	(17,626)	(42,928)	(60,554)	(19,300)
Plan amendments	(222,587)	(446,552)	(669,139)	-
Actuarial gains/losses	4,698	-	4,698	717,940
Accrued benefit obligations, end of year	**662,732**	**269,688**	**932,420**	1,523,994
Unamortized net actuarial gain/loss	**185,975**	**(145,258)**	**40,717**	(717,940)
Accrued benefit liability	**$ 848,707**	**$ 124,430**	**$ 973,137**	$ 806,054

17. Post Employment Benefits and Compensated Absences (continued)

Benefits Expense

	Severance and removal	Compensated absences	2018	2017
Current service cost	$ 48,814	$ 38,488	$ 87,302	$ 49,428
Interest cost	25,066	21,053	46,119	22,708
Amortization of net actuarial (gain)/loss	5,215	84,303	89,518	
Plan amendment	4,698		4,698	
Benefit expense, end of year	**$ 83,793**	**$ 143,844**	**$ 227,637**	$ 72,136

The discount rate used to determine the accrued benefit obligation was an average of 3.80%, (2017 - 3.3%).
The expected payments during the next five fiscal years are:

	Severance and removal	Compensated absences	Total
2019	$ 173,677	$ 54,265	$ 227,942
2020	108,197	31,294	139,491
2021	70,998	21,533	92,531
2022	55,579	19,889	75,468
2023	44,675	16,298	60,973
Total	**$ 453,126**	**$ 143,279**	**$ 596,405**

18. Trust Assets Under Administration

YCS does not have any trust assets under administration.

19. Tangible Capital Assets

	Cost	Additions	Disposals	Amortization	Accumulated Amortization	Net Book Value, June 30, 2018	Net Book Value June 30, 2017
Land and Improvements	**$ 1,838,825**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,838,825**	$ 1,838,825
Equipment	**463,113**	**-**	**-**	**55,763**	**253,965**	**209,148**	264,913
Buildings and Portables							
Career and Technical Centre	2,878,913	-	-	73,888	1,031,714	1,847,199	1,921,087
Central Services offices	953,899	94,559	-	41,700	618,668	429,790	376,931
Ecole St. Joseph School	37,333,024	-	-	958,888	13,414,628	23,918,396	24,924,410
Ecole St. Patrick High School	12,292,334	-	-	321,853	6,793,751	5,498,583	5,773,312
Tallah Building	621,027	-	-	15,757	89,106	531,921	547,678
Weledeh Catholic School	12,557,840	-	-	330,161	5,586,268	6,971,572	7,301,733
	66,637,037	**94,559**	**-**	**1,742,247**	**27,534,135**	**39,197,461**	40,845,151
	$ 68,938,975	**$ 94,559**	**$ -**	**$ 1,798,010**	**$ 27,788,100**	**$ 41,245,434**	$ 42,948,889

20. Prepaid Expenses and Deposits

	2018	2017
Prepaids	$ 58,558	$ 39,354

21. GNWT Assets Provided At No Cost

YCS does not have any GNWT assets provided at no cost.

22. Contractual Obligations

YCS has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2018.

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 2019. YCS has various contracts for anti-virus software, courier services, elevator maintenance, employee assistance, PRI phone service, photocopiers, and postage machines.

The future minimum payments are as follows.

	2019	2020	2021	2022	2023	Total
Anti-virus software	$ 6,685	$ 6,685	$ 6,685	$ 557	$ -	$ 20,612
Courier services	6,600	-	-	-	-	6,600
Elevator services	8,860	8,860	6,645	-	-	24,365
Employee assistance	7,682	-	-	-	-	7,682
Janitorial	582,133	582,133	-	-	-	1,164,266
PRI Lines	13,264	13,264	13,264	13,264	13,264	66,320
Photocopier	22,834	17,193	10,599	-	-	50,626
Postage machine	683	683	683	683	683	3,415
Student busing	343,006	-	-	-	-	343,006
	$ 991,747	**$ 628,818**	**$ 37,876**	**$ 14,504**	**$ 13,947**	**$ 1,686,892**

22. Contractual Obligations (continued)

Collective agreements with the Northwest Territories Teachers' Association and the Public Service Alliance of Canada, as represented by its agent the Union of Northern Workers, were negotiated in the prior year. A four year agreement with the Northwest Territories Teachers' Association was signed for the period from September 2016 to August 2020. A three year agreement with the Public Service Alliance of Canada, as represented by its agent the Union of Northern Workers, was signed for a period from July 2016 to June 2019.

As part of the collective agreement with the Northwest Territories Teachers' Association, there will be a wage re-opener in the fall of 2018.

23. Contingencies

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, 2018, there is still outstanding work to be done on the building and the insurance company has not finalized the insurance claim. The estimate of the insurance costs has not been completed. It is likely most of the costs will be covered by the insurance claim.

24. Related Parties

YCS has the following transactions with government and other government controlled organizations:

Due to related parties:

		2018		2017
Government of the Northwest Territories				
Department of Education, Culture and Employment	$	5,435	$	-
Department of Infrastructure		-		1,004
Total due to related parties	**$**	**5,435**	$	1,004

24. Related Parties (continued)

Due from related parties:

	Accounts Receivable	AFDA	2018	2017
Government of the Northwest Territories				
Aurora College	$ -	$ -	$ -	$ 513
Department of Education, Culture and Employment	24,856	-	24,856	255,635
Department of Finance	10,920	-	10,920	7,416
	35,776	-	***35,776***	***263,564***
NWT Health & Social Services - Yellowknife Region	**4,944**	-	**4,944**	7,416
YK Education District #1	-	-	-	3,959
Sahtu Divisional Education Council	**924**	-	**924**	3,959
Total due from related *parties*	**$ 41,644**	**$ -**	**$ 41,644**	$ 278,898

Revenue from related parties:

	2018	2017
Government of the Northwest Territories		
Department of Education, Culture & Employment	$ 20,692,811	$ 19,391,577
Department of Municipal and Community Affairs	$ 63,525	$ 73,900
Department of Health and Social Services	$ 12,265	$ 12,731
Department of Environment & Natural Resources	$ 16,000	$ 12,000
Beaufort Delta Education Authority	$ 15,000	$ 30,000
Aurora College - Tallah building	$ 119,974	$ 118,051
NWT Health & Social Services Authority	$ -	$ 11,124
YK Education District No. 1	$ -	$ 5,159
Dettah District Education Authority	$ 150,934	$ 217,120
Sahtu District Education Authority	$ 924	$ -

24. Related Parties (continued)

Expenses from related parties:

	2018	2017
Government of the Northwest Territories		
Department of Education, Culture & Employment	$ 8,575	$ -
Department of Infrastructure	$ 2,824	$ 1,984
Department of Finance - debenture	$ 120,000	$ 120,000
Department of Environment & Natural Resources	$ 1,400	$ -
NWT Health & Social Services	$ 6,375	$ -
Aurora College	$ 800	$ -
YK Education District No. 1	$ 1,641	$ -
Dehcho Divisional Educational Council	$ 600	$ -

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 YCS.

The budget figures presented are those approved by the Trustees of YCS on June 14, 2017 and have not been audited.

26. 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.

27. Financial Instruments

YCS is exposed to credit, interest 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, 2018 is as follows:

	2018
Cash and cash equivalents	$ 6,348,211
Due from Government of Canada	112,451
Accounts receivable	118,799
Maximum credit risk exposure	$ 6,579,461

At March 31, 2018, the following accounts receivable were past due but not impaired.

Financial assets	30 days	60 days	90 days
Accounts receivable	$ 3,239	$ -	$ 22,173

At March 31, 2018, YCS does not have any impaired accounts receivables.

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 March 31, 2018, receivables from three customers comprised 76% of the total outstanding accounts 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 $732,131 (2017 - $1,505,253) 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.

27. *Financial Instruments (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. YCS has liquidity risk in accounts payable and accrued liabilities, payroll benefits payable, due to the Government of Canada, long term debt and accrued payroll liabilities of $4,816,686 (2017 - $4,971,637).

YCS mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise.

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

Financial assets	*Up to 6 months*	*6 months to 1 year*	*1 to 5 years*	*Over 5 years*
Cash and cash equivalents	$ 6,348,211	$ -	$ -	$ -
Due from the government of Canada	112,451	-	-	-
Accounts receivable	118,799	-	-	-
Total assets	**$ 6,579,461**	**$ -**	**$ -**	**$ -**
Total assets - prior year	$ 4,666,773	$ -	$ -	$ -

Financial liabilities	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	$ 874,980	$ -	$ -	$ -
Payroll benefits payable	172,841	-	-	-
Due to the Government of Canada	436,752	-	-	-
Long term debt	53,536	58,289	460,939	159,367
Accrued payroll liabilities	2,599,982	-	-	-
Total liabilities	**$ 4,138,091**	**$ 58,289**	**$ 460,939**	**$ 159,367**
Total liabilities - prior year	$ 4,320,533	$ 779,641	$ 2,568,874	$ 620,641
Net total	**$ 2,441,370**	**$ (58,289)**	**$ (460,939)**	**$ (159,367)**
Net total - prior year	$ 346,240	$ (779,641)	$ (2,568,874)	$ (620,641)

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

	2018 Budget	2018 Actual	2017 Actual
Amortization	$ 1,770,000	$ 1,798,010	$ 1,796,125
Compensation	19,961,659	20,016,415	20,563,139
Interest on long term debt	27,038	20,755	76,250
Materials/freight	671,408	1,017,679	771,098
Services purchased/contracted	3,266,941	3,135,448	2,763,026
	$ 25,697,046	**$ 25,988,307**	$ 25,969,638

29. Subsequent Events

There were no subsequent events that have taken place between June 30, 2018 and the date the audit report was signed.

30. Comparative Figures

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

31.ECE Contributions

		2018		2017
Original contribution	$	19,593,033	$	18,424,022
SSI		103,000		-
Additional JK classroom materials		15,000		-
Weledeh debenture adjustments		(215,000)		-
Additional funding for JK implementation		146,000		-
Termination benefits		380,448		-
Mentorship release time		12,584		-
Regular contribution		***20,035,065***		*18,424,022*
Aboriginal language		141,000		59,000
After school program subsidy		11,931		-
DELF		42,000		40,000
Extra French funding		20,250		24,700
French language funding		280,500		365,700
JK Funding		100,000		-
Labour Market Agreement for Persons with Disabilities		43,000		-
Official language		4,565		-
Self regulation		14,500		7,000
4 Plus funding		-		100,000
4th R training		-		840
Other		-		76,066
Preschool and 4Plus subsidy		-		62,300
Secondment		-		161,749
YK Family Centre		-		40,500
TOTAL	**$**	**20,692,811**	$	19,361,877

32.GNWT Other Contributions

		2018		2017
Department of MACA				
Active After School	$	45,900	$	48,900
Regional youth handgames		17,625		25,000
Department of Health and Social Services				
Drop the Pop		12,265		12,731
Department of Environment & Natural Resources				
Take a Kid Trapping		16,000		12,000
TOTAL	**$**	**91,790**	$	98,631

33. Contingent Assets

YCS does not have any contingent assets.

34. 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:

	2019	2020	2021	2022 and beyond	Total
Tallah Building	$ 110,253	$ 110,253	$ 110,253	$ -	**$ 330,759**

YCS has entered a rental agreement with Aurora College for the rental of the Tallah Building. The lease agreement expires on June 30, 2021.

35. Payroll Liabilities

	2018	2017
Teachers - Northwest Territories Teachers' Association	$ 2,098,034	$ 2,144,352
Non-Teacher - Union of Northern Workers	501,948	498,416
	$ 2,599,982	$ 2,642,768

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 1
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 2018**	**Budget 2018**	Total 2017
Salaries									
Teachers	$9,228,505	$1,552,621	$ -	$ -	$ 396,051	$ -	$11,177,177	$11,187,914	$11,182,335
Instruction assistants	-	1,279,425	-	-	-	-	1,279,425	1,046,489	1,523,776
Non-instructional	1,174,715	204,592	272,093	1,180,844	122,830	-	2,955,074	2,648,599	2,873,132
Board honoraria	-	-	-	67,894	-	-	67,894	67,512	65,227
	10,403,220	**3,036,638**	**272,093**	**1,248,738**	**518,881**	**-**	**15,479,570**	14,950,514	15,644,470
Employee Benefits									
Employee benefits	3,180,634	1,028,980	77,420	178,539	61,346	-	4,526,919	4,974,145	4,851,961
Leave and termination benefits	9,926	-	-	-	-	-	9,926	37,000	66,708
	3,190,560	**1,028,980**	**77,420**	**178,539**	**61,346**	**-**	**4,536,845**	5,011,145	4,918,669
Services Purchased/Contracted									
Advertising/publishing	5,394	-	-	30,049	31,989	-	67,432	61,600	51,575
Communication	47,151	(48)	6,243	35,347	-	-	88,693	73,800	73,740
Contracted services	171,213	-	635,174	2,340	10,474	-	819,201	1,365,500	1,246,021
Maintenance & repairs	3,777	-	372,506	-	13,818	-	390,101	289,000	247,081
Other	172,839	-	13,170	31,696	-	-	217,705	363,240	253,759
Professional/technical	3,504	151,708	-	31,362	33,088	-	219,662	240,001	54,017
Rental/leases	39,629	-	-	10,181	-	-	49,810	41,500	40,242
Student transportation	410,626	2,052	-	-	-	-	412,678	5,000	5,157
Travel	2,689	-	-	31,577	-	-	34,266	33,800	34,663
Utilities: Electricity	-	-	425,737	-	-	-	425,737	441,000	413,441
Heating	-	-	303,983	-	-	-	303,983	256,000	246,679
Water/sewage	-	-	106,180	-	-	-	106,180	96,500	96,651
	856,822	**153,712**	**1,862,993**	**172,552**	**89,369**	**-**	**3,135,448**	3,266,941	2,763,026
Materials/Freight									
Materials	670,342	72,674	-	24,325	240,788	-	1,008,129	660,908	765,904
Freight	9,550	-	-	-	-	-	9,550	10,500	5,194
	679,892	**72,674**	**-**	**24,325**	**240,788**	**-**	**1,017,679**	671,408	771,098

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	Administration	Indigenous Languages (Schedule 3)	Transfers & Others	Total 2018	Budget 2018	Total 2017
Amortization	$ -	$ -	$ -	$ -	$ -	$ 1,798,010	$ 1,798,010	$ 1,770,000	$ 1,796,125
Debenture Interest	-	-	-	-	-	20,755	20,755	27,038	76,250
	-	-	-	-	-	**1,818,765**	**1,818,765**	1,797,038	1,872,375
Total	**$15,130,494**	**$ 4,292,004**	**$ 2,212,506**	**$ 1,624,154**	**$ 910,384**	**$ 1,818,765**	**$25,988,307**	**$25,697,046**	$25,969,638

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 2
Detail of Inclusive Schooling Expenditures

For the period ended June 30, 2018

	Staff Development	Intervention Strategies	Assistive Technology	Early Childhood	Magnet Facilities	General Inclusive Schooling	Total
Salaries							
Consultants	$ -	$ -	$ -	$ -	$ -	$ 114,470	$ 114,470
Non-instructional	-	204,592	-	-	-	-	204,592
Support assistants	-	1,225,421	-	-	54,004	-	1,279,425
Teachers	36,163	1,299,078	-	-	102,910	-	1,438,151
	36,163	**2,729,091**	-	-	**156,914**	**114,470**	**3,036,638**
Employee Benefits	**14,825**	**932,933**	-	-	**49,466**	**31,756**	**1,028,980**
Services Purchased/Contracted							
Communication	-	-	-	(48)	-	-	(48)
Professional/technical	71,508	78,682	-	1,518	-	-	151,708
Student transportation	-	2,052	-	-	-	-	2,052
	71,508	**80,734**	-	**1,470**	-	-	**153,712**
Materials/Freight	**5,303**	**48,682**	**15,578**	-	**3,111**	-	**72,674**
Total	**$ 127,799**	**$ 3,791,440**	**$ 15,578**	**$ 1,470**	**$ 209,491**	**$ 146,226**	**$ 4,292,004**

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Schedule 3
Indigenous Language/Culture Program Expenditures

For the period ended June 30, 2018

	Student Instruction	Teaching/ Learning Resources	Total
Salaries			
Teachers	$ 396,051	$ -	$ 396,051
Employee Benefits	61,346	-	61,346
Services Purchased/Contracted			
Elders - honorarium	-	122,830	122,830
Maintenance and repairs	13,818	-	13,818
Printing and publishing	-	31,989	31,989
Professional development	33,088	-	33,088
Student transportation	10,474	-	10,474
	57,380	154,819	212,199
Materials/Freight	177,352	63,436	240,788
Total	$ 692,129	$ 218,255	$ 910,384

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 4
Indigenous Language Materials

For the period ended June 30, 2018

	July 1, 2017 to March 31, 2018	April 1, 2018 to June 30, 2018	Total
Revenue			
Secretary of State Funding Aboriginal Languages	$ 141,000	$ -	$ 141,000
Expenditures			
Salary and benefits	46,524	-	46,524
Supplies and materials	99,918	19,835	119,753
	146,442	19,835	166,277
Surplus (deficit)	$ (5,442)	$ (19,835)	$ (25,277)

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Schedule 5
French Language Programs

For the period ended June 30, 2018

	Contribution from GNWT	Commitment from YCS	Actual Expenditures	(Over) under Expenditures
Bilateral Agreement Funding				
Special Projects				
Consultant - Immersion/Core French	$ 60,000	$ 87,000	$ 225,238	$ (78,238)
Core French (salary and benefits)	100,000	182,000	260,760	21,240
French cultural activities	4,000	5,000	9,589	(589)
French resources	11,000	8,000	98,311	(79,311)
Late Immersion Salary	-	-	129,281	(129,281)
Late Immersion Training	-	-	12,714	(12,714)
Late immersion Camp	-	-	1,985	(1,985)
Literacy (salary and benefits)	56,000	65,000	173,012	(52,012)
Professional development	4,000	8,000	17,518	(5,518)
Teacher assistant (salary and benefits)	45,500	30,000	78,337	(2,837)
Total	**$ 280,500**	**$ 385,000**	**$ 1,006,745**	**$ (341,245)**
Regular GNWT Funding				
Core French			$ 533,664	
Immersion Program			1,451,601	
Total			**$ 1,985,265**	

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Schedule 6
Student Success Initiative Projects

For the period ended June 30, 2018

	Primary/ Elementary Project	Leadership Development	Total
Revenue			
Government of Northwest Territories - Department of Education, Culture and Employment	$ 8,025	$ 94,975	$ 103,000
Expenditures			
Contracted services	-	71,508	71,508
Professional development	-	809	809
Substitute teacher wages	9,591	19,175	28,766
Supplies	-	2,164	2,164
	9,591	93,656	103,247
Surplus (deficit)	$ (1,566)	$ 1,319	$ (247)

Yellowknife District No.1 Education Authority

(Yellowknife Education District No. 1)

Financial Statements

June 30, 2018

Yellowknife District No. 1 Education Authority

(the Authority)

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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
yk1.nt.ca yk1@yk1.nt.ca

Management Discussion and Analysis

June 2018

Introduction

Yellowknife Education District No. 1 (YK1) Administration:

Metro Huculak, Superintendent of Education/CEO
Ed Lippert, Assistant Superintendent
Tram Do, Director of Corporate Services

Current Board Members:
John Stephenson, Chairperson
Allan Shortt, Vice Chairperson

Trustees:

Tina Drew
Jay Butler
Terry Brookes
Rajiv Rawat
Satish Garikaparthi

Active Committees include:

- Policy Committee
- Public Relations Committee
- Finance Committee

YK1 Core Strategies

To ensure all students reach their highest level of learning by:

- Increasing success rate of early learners
- Consistently increasing the percentage of students working at grade level
- Increasing the percentage of students who successfully graduate or complete high school programs
- Increasing the success of all students reflecting the diversity of the student population
- Increasing student success in Mathematics and Science

To ensure all students receive programming which responds to their diverse learning needs in a respectful and inclusive manner by:

- Maintaining a high level of satisfaction with our Inclusive Education Program
- Strengthening inclusive school communities
- Increasing the level of competence among teachers in their ability to deal with diverse needs

To ensure all students are engaged in Indigenous languages, perspectives and culture-based education by:

- Integrating culturally relevant learning into instructional programming
- Increasing the offerings of the Willideh language
- Ensuring all schools reflect Indigenous Language and Culture
- Engaging all students in Indigenous cultural experiences
- Increasing the number of skilled instructors of Indigenous Language and Culture-based education
- Strengthening relationships with Indigenous communities

To ensure all students engage in healthy lifestyles and respectful, caring relationships by:

- Increasing student participation in physical activities
- Improving student involvement and participation in the Arts
- Increasing student awareness of nutrition and the importance of healthy food choices
- Promoting positive relationships, resiliency and good citizenship
- Increasing awareness and access to wellness and mental health activities

Operating Environment

YK1 operates six schools in the city of Yellowknife. The following lists key programming in our schools:

Mildred Hall School (JK-8)

- Mildred Hall School (MHS) is an English school which also offers Core French and Wiilideh 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

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)

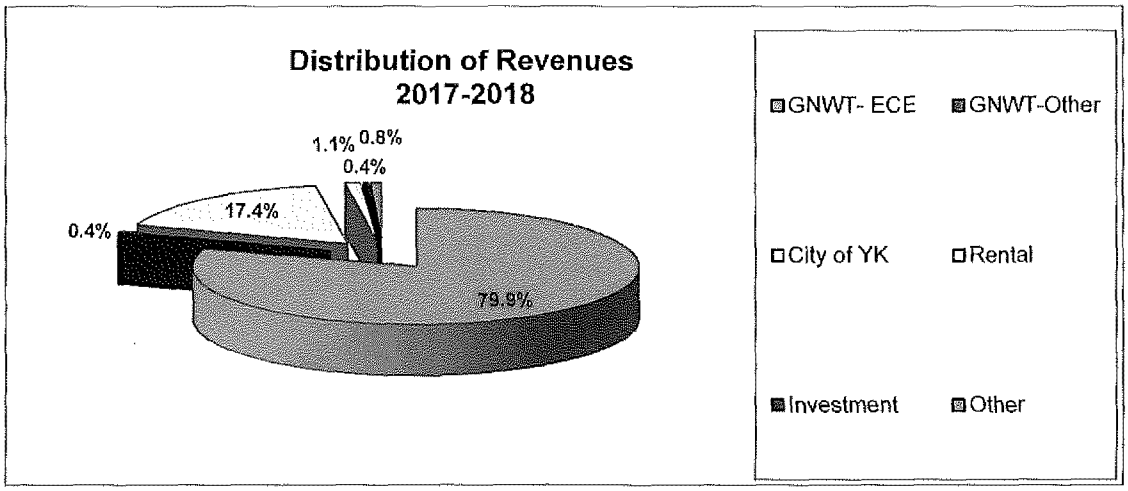
- École Sir John Franklin High School (ESJF) offers programming from Grades 9 to 12 in both English and French Immersion
- Core French and Post-Intensive French are offered from Grades 9 to 12
- ESJF has a dynamic Fine Arts program which includes music, band, choir, drama and visual arts
- The school offers an extensive trades curriculum and work experience program which includes industrial arts, automotives and esthetics
- ESJF offers Indigenous culture programming and camps including Wiilideh 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

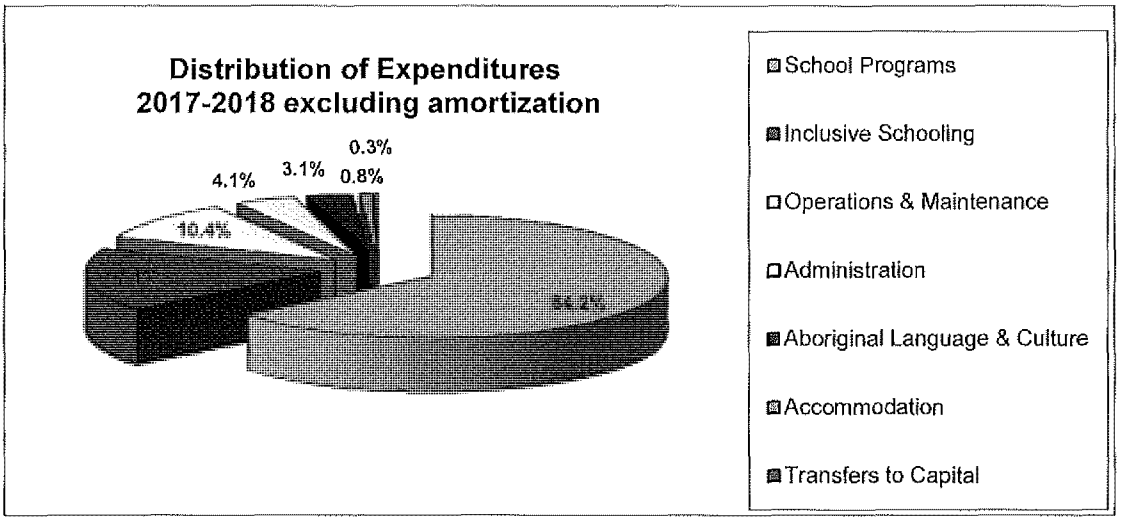
Financial Condition



Revenues

GNWT- ECE	28,702,014
GNWT-Other	144,390
City of YK	6,241,400
Rental	390,525
Investment	155,461
Other	273,883
Total Revenues	**35,907,673**

Funding from the Department of Education, Culture and Employment (ECE) makes up 79.9% of YK1's revenues. Property taxation revenue is 17.4% and the remainder is generated from investment income, Nordic Arms apartment rentals, superintendent services and parking lot rentals.



Expenses (excluding amortization)

School Programs	23,018,192
Inclusive Schooling	6,153,106
Operations & Maintenance	3,719,416
Administration	1,477,352
Indigenous Language & Culture	1,117,719
Accommodation	285,951
Transfers to Capital	119,790
Total Expenses	**35,891,526**

Expenditure allocations are based on the Department of Education, Culture and Employment's funding formula. 84.5% 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 Ricoh photocopiers.

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	2017/2018	2016/2017	Change
Operating	511,578	566,402	-54,824
Capital	904,165	904,165	0
Decentralized(Schools)	386,496	246,285	+140,211
Total Accumulated Surplus	1,802,239	1,716,852	+85,387
Unfunded by ECE :			
Leave and Termination Benefits	1,651,023	1,705,424	-54,401
	3,453,262	**3,422,276**	**+30,986**

The accumulated operating surplus decreased by $54,824 and the decentralized surplus increased by $140,211, the total change is an overall increase of $85,387. The overall unrestricted surplus is 5% ($1,802,239/$35,606,554) of total 2017/2018 budgeted expenditures excluding amortization.

The accumulated unrestricted surplus has enabled YK1 to maintain quality programming for students, which has been a key strength of the district.

YK1 has older schools that require replacement or renovation. ECE contracted Taylor Architects to complete a Technical Status Evaluation (TSE) of all of YK1 schools. YK1 paid $120,000 for these (TSE) reports to be completed. The TSE information is required to get YK1 school renovations on the GNWT Capital Plan.

ECE has initiated the process for replacement of a new École J.H. Sissons. The schematic design for the new École J.H. Sissons has been completed by Taylor Architiects.

YK1 continues to lobby ECE to have Mildred Hall School renovations completed.

Some of the District's schools are underutilized. YK1 participates in space-sharing with Commission Scolaire Francophone Territories Du Nord-Ouest (CSFTNO) and various other groups to fill some of these spaces.

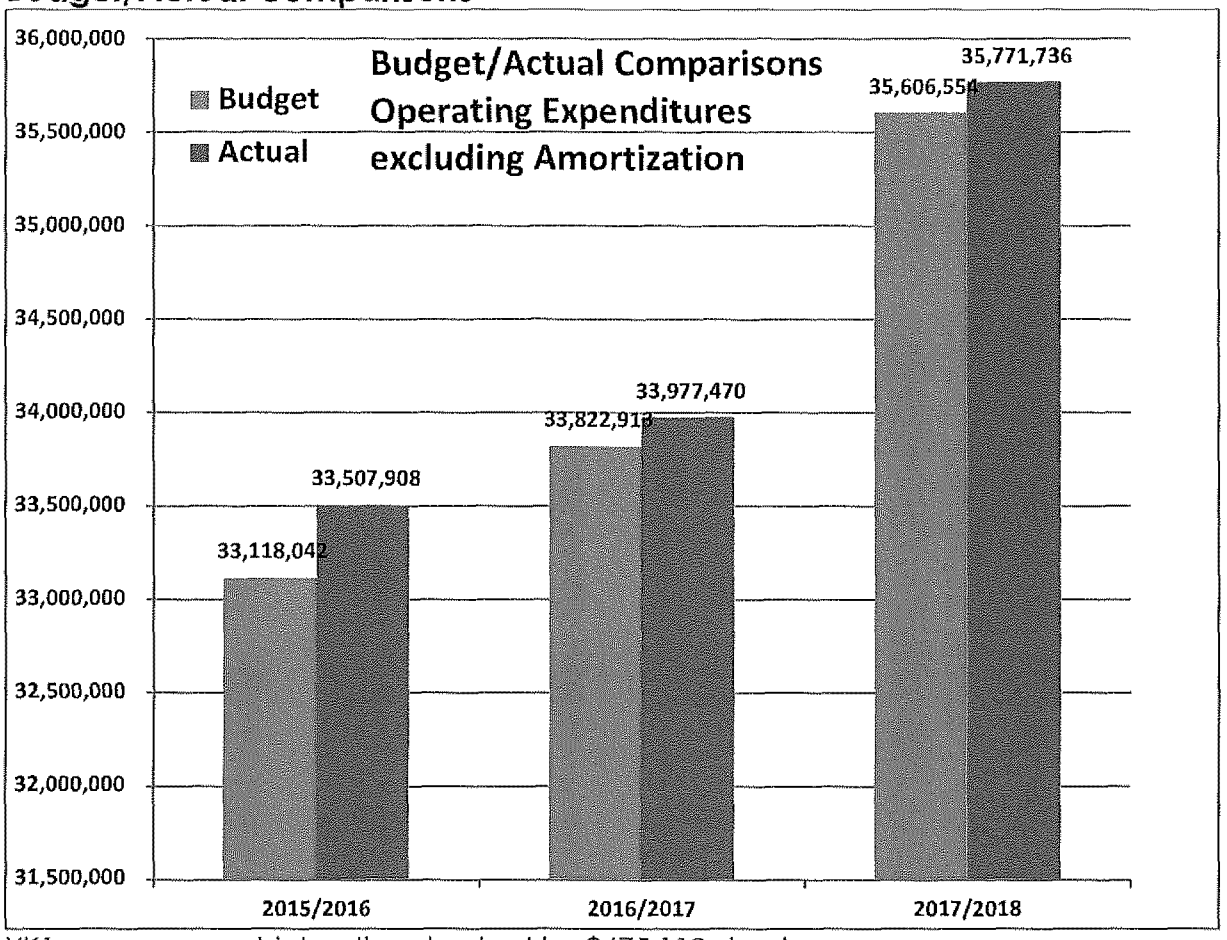
Restricted Reserves

The Department of Education, Culture and Employment has agreed to allow YK1 to maintain the unspent utility funding to be used for conversion of current lighting to LED lighting in the schools and minor capital expenditures. LED lights can save 30% or more on energy costs. ECE has agreed to allow YK1 to keep all utilities savings to be reinvested into minor capital projects or LED lighting upgrades.

YK1 has completed the LED light conversion for all outdoor lights, emergency exit lights, and gymnasium lights at schools and buildings. YK1 is planning to continue with LED lights conversion for EWMS.

LED Restricted	2017/2018	2016/2017	Change
Beginning Balance	422,037	336,450	+85,587
Utility Savings	30,518	215,376	-184,858
LED Lights Conversion	-99,759	-129,789	+30,030
Total LED Reserve	**352,796**	**422,037**	**-69,241**

Budget/Actual Comparisons



YK1 revenues are higher than budget by $475,119 due to:

- ECE regular contributions revenues higher by $92,356 due to Labour Market Agreement for Persons with Disabilities (LMAPD) funding of 67,000 and Average Salary adjustments
- ECE other contributions higher by $42,456 due to additional funding for MHS Early Childhood Development and prior year preschool revenue accrual variances from actual paid
- Indigenous Languages revenues higher by $121,000 due to increase in funding for language resource development from ECE
- French Revenue higher due to increased funding from ECE for library revitalization and French communication in the amount of $80,648
- Custodial cost recovery from CSFTNO in the amount of $19,713
- Portfolio Investment income higher by $45,461 from previous years' due to interest rate increases
- GNWT other contributions higher by $104,390 due to MACA funding for active after-school and youth outdoor activities, Department of Health and Social Services funding for Drop the Pop.

YK1 expenses variance highlights are:

- Amortization of fixed assets of $914,776 was not considered when the budget was prepared
- School Programs has a positive variance of $561,000 due to;
    - Lower Junior Kindergarten classes staffed (7) compared to budget (9),
    - lower than budget leave and termination benefits accrual change
    - Schools saved on their O&M and substitute costs, therefore their surpluses increased by $140,211
- Inclusive Schooling costs are higher than budget due to additional Education Assistants for Junior Kindergarten classes
- Staff Accommodations expenses increased due to replacement of Nordic Arms Apartment roof replacement that cost $137,000
- Operations and Maintenance costs are higher by $561,000 due to:
    - Fuel costs higher by $100,000 due to increase in price of fuel by 25% from prior year and colder longer winter;
    - Hazardous Materials Assessment costs of $100,000, plus an accrual of $100,000 for the maintenance shop abatement, which will take place August 2018 and summer 2019;
    - LED Lights conversion of the gymnasiums $100,000;
    - Technical Status Evaluation of all YK1 Schools $120,000.

Yellowknife Education District N	Enrolment	Enrolment	Enrolment	Enrolment	Teachers/ Admin/ PST	Early Childhood Instructors	Pupil/Teacher ratio	
	K-12	JK	JK-12	JK-12	K-12	JK	K-12	JK
School:	Sep-16	Sep-17		Jun-18				
Mildred Hall School	235.00	21.00	256.00	289.00	17.80	2.30	13.20	9.13
JH Sissons	276.50	47.00	323.50	316.00	18.90	5.00	14.63	9.40
William McDonald School	240.00	-	240.00	242.00	17.40	-	13.79	
NJ Macpherson School	265.50	32.00	297.50	297.00	19.00	4.00	13.97	8.00
Range Lake North School	260.00	27.00	287.00	296.00	20.70	3.00	12.56	9.00
Sir John Franklin High School	638.00	-	638.00	675.00	33.75	-	18.90	
Total District	**1,915.0**	**127.0**	**2,042.0**	**2,115.0**	**127.55**	**14.30**	**15.01**	**8.88**

Overall enrolment increased by 73 students by the end of the year.

Summary and Outlook

In 2017-2018, YK1 faced many challenges including important decisions about the use of its facilities, the rollout of Junior Kindergarten, bussing and the Hazardous Material Assessment of all YK1 buildings.

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
- The District is transitioning from fluorescent lightbulbs to LED lightbulbs. This will be more environmentally sustainable and will save the District and ECE money in the long-term. All the outdoor lights and gymnasium lights are now LED lights.
- Outdoor beautification initiatives and gardening at the District's schools continues to be a priority of the Board
- All of the schools continued to offer a food program, which included a breakfast, lunch and snacks for students who need that kind of support
- Parent conversation nights held at YK1 schools encouraged parents to speak about what programming they wanted to see at their schools

Foreseeable Challenges for 2018-2019

- The planning and implementation of the construction of a new École J.H. Sissons School. The site selection for the new school
- Board of Trustees election on October 15, 2018
- The Technical Status Evaluation has been completed by Taylor Architects for all YK1 schools. This information is required for ECE to include YK1 schools Capital Projects into the GNWT Capital Plan
- 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 2019
- The Abatement of Hazardous Building Materials of the maintenance shop in August 2018 and summer 2019
- 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 have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public Sector Accounting Standards (CPSAS) as well as the Financial Administration Manual (FAM) and the Financial Administration Manual for Education Authorities (FAMEA) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Yellowknife District No. 1 Education Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Education Act, Financial Administration Act, CPSAS FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Authority's Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

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

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

Metro Huculak
Superintendent
Yellowknife District No. 1 Education Authority

Tram Do
Director of Corporate Services
Yellowknife District No. 1 Education Authority

Independent Auditors' Report

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

We have audited the accompanying consolidated financial statements of the Yellowknife District No. 1 Education Authority (the Authority), which comprise of the consolidated statement of financial position as at June 30, 2018, consolidated statements of operations, consolidated changes in net financial assets, and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Independent Auditors' Report (continued)

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yellowknife District No. 1 Education Authority as at June 30, 2018, and its consolidated financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements
We further report in accordance with the *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 Yellowknife District No. 1 Education Authority, the financial statements are in agreement therewith and the transactions that have come under our notice, have, in all significant respects, been within the statutory powers of Yellowknife District No. 1 Education Authority.

Crowe MacKay LLP

Yellowknife, Northwest Territories
September 11, 2018

Chartered Professional Accountants

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Financial Position — Statement 1

As at June 30,	2018 $	2017 $
FINANCIAL ASSETS		
Cash (Note 4)	**2,906,917**	2,790,354
Portfolio Investments (Note 7)	**5,060,814**	5,031,812
Due from Government of Canada (Note 13)	**179,015**	166,457
Accounts Receivable (Note 8)	**1,241,007**	923,210
	9,387,753	8,911,833
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 10)	**584,882**	511,328
Payroll liabilities	**4,699,310**	4,399,028
Leave and Termination Benefits (Note 17)	**1,651,023**	1,705,424
Vacation payable	**277,740**	290,984
Deferred revenue (Note 11)	**145,000**	20,000
	7,357,955	6,926,764
NET FINANCIAL ASSETS	**2,029,798**	1,985,069
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	**96,832**	133,540
Tangible Capital Assets (Note 19)	**12,743,452**	13,538,438
Inventories (Note 9)	**28,406**	20,280
	12,868,690	13,692,258
ACCUMULATED SURPLUS	**14,898,488**	15,677,327
Represented by:		
Operating Fund	**511,579**	566,402
Investment in Tangible Capital Assets	**12,743,452**	13,538,438
Decentralized Surplus	**386,496**	246,285
Capital Fund Reserve	**904,165**	904,165
LED Reserve	**352,796**	422,037
	14,898,488	15,677,327

Contractual Obligations (Note 22), Contingencies (Note 23)

Approved on behalf of the board:

Trustee Tina Drew **Trustee**

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Operations — Statement 2

For the year ended June 30,	2018 Budget $	2018 Actual $	2017 Actual $
REVENUE			
Government of the Northwest Territories			
Regular contributions	27,760,554	**27,852,910**	25,678,111
Other contributions	123,000	**165,456**	314,237
Indigenous languages	60,000	**181,000**	60,000
French revenue	422,000	**502,648**	523,000
Total ECE (Note 31)	28,365,554	**28,702,014**	26,575,348
GNWT other contributions (Note 32)	-	**144,390**	155,533
Other Education Bodies	40,000	**172,712**	107,590
Property tax requisitioned	6,231,000	**6,241,400**	6,062,772
Education authority generated funds			
Rental income	380,000	**390,525**	347,206
Portfolio investment income	110,000	**155,461**	63,047
Other	306,000	**101,171**	704,416
	796,000	**647,157**	1,114,669
Total revenue	35,392,554	**35,907,673**	34,015,912
EXPENDITURES			
School programs	23,601,487	**23,018,192**	22,185,439
Inclusive schooling	6,076,426	**6,153,106**	5,793,570
Staff accommodations	197,500	**285,951**	197,630
Operations and maintenance	3,162,804	**3,719,416**	3,327,864
Administration	1,459,541	**1,477,352**	1,395,138
Indigenous language/cultural programs	1,108,796	**1,117,719**	1,077,829
Amortization	-	**914,776**	982,742
Total operating expenditures	35,606,554	**36,686,512**	34,960,212
Operating deficit before other items	(214,000)	**(778,839)**	(944,300)
Other items			
Grant in-kind - GNWT Assets provided at no cost (Note 21)	-	**45,843**	1,361,287
Rent expense - GNWT Assets provided at no cost (Note 21)	-	**(45,843)**	(1,361,287)
Operating deficit	(214,000)	**(778,839)**	(944,300)
Opening accumulated surplus	-	**15,677,327**	16,621,627
Closing accumulated surplus	(214,000)	**14,898,488**	15,677,327

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Changes in Net Financial Assets — Statement 3

For the ended June 30,	2018 $	2017 $
Operating deficit	(778,839)	(944,300)
Acquisition of tangible capital assets	(119,792)	-
Amortization of tangible capital assets	914,776	982,742
	16,145	38,442
Acquisition of supplies inventories	(28,406)	(20,280)
Consumption of supplies inventories	20,280	26,865
Purchase of prepaid expenses	(96,830)	(133,540)
Use of prepaid expenses	133,540	147,714
	28,584	20,759
Increase (decrease) in net assets	44,729	59,201
Net asset at beginning of year	1,985,069	1,925,868
Net asset at end of year	**2,029,798**	1,985,069

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Cash Flows — Statement 4

For the year ended June 30,	2018 $	2017 $
Cash provided by (used in)		
OPERATING TRANSACTIONS		
Operating deficit	(778,839)	(944,300)
Item not affecting cash:		
Amortization	914,776	982,742
Changes in non-cash assets and liabilities		
Decrease (increase) Due from Government of Canada	44,092	(77,353)
Decrease (increase) accounts receivable	(374,446)	646,102
Increase (decrease) accounts payable	73,556	218,795
Increase (decrease) payroll liabilities	300,282	1,035,623
Increase (decrease) leave and termination benefits	(54,401)	59,432
Increase (decrease) vacation payable	(13,244)	23,862
Increase (decrease) deferred revenue	125,000	(6,000)
Decrease (increase) prepaid expenses	36,708	14,174
Decrease (increase) inventories	(8,126)	6,584
CASH PROVIDED BY (USED FOR) OPERATING TRANSACTIONS	**265,358**	1,959,661
INVESTING TRANSACTIONS		
Disposition of portfolio investments	-	161,850
Acquisition of portfolio investments	(29,003)	-
CASH PROVIDED BY INVESTING TRANSACTIONS	**(29,003)**	161,850
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(119,792)	-
Proceeds of disposition of tangible capital assets	-	-
CASH USED FOR CAPITAL TRANSACTIONS	**(119,792)**	-
FINANCING TRANSACTIONS		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
CASH PROVIDED BY FINANCING TRANSACTIONS	-	-
INCREASE IN CASH AND CASH EQUIVALENTS	**116,563**	2,121,511
CASH AT BEGINNING OF YEAR	**2,790,354**	668,843
CASH AT END OF YEAR	**2,906,917**	2,790,354

Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Details of Expenditures

Statement 5

For the year ended June 30,	School Programs $	Inclusive Schooling $	Staff Accommodation $	Operations and Maintenance $	Administration $	Indigenous Languages $	**Total 2018 $**	Budget 2018 $	Total 2017 $
SALARIES									
Honoraria	-	-	-	-	69,324	-	**69,324**	75,095	70,275
Instructional assistants	1,169,350	2,148,954	-	-	-	244,484	**3,562,788**	4,133,174	3,173,447
Non-instructional staff	2,005,117	-	14,239	530,862	1,000,540	274,135	**3,824,893**	3,372,982	3,803,745
Teachers	14,688,063	2,776,582	-	-	31,828	183,021	**17,679,494**	16,542,245	17,114,484
	17,862,530	4,925,536	14,239	530,862	1,101,692	701,640	**25,136,499**	**24,123,496**	24,161,951
EMPLOYEE BENEFITS									
Employee benefits/allowances	2,204,213	919,189	930	105,129	131,452	114,764	**3,475,677**	4,737,801	3,363,561
Leave and termination benefits	(40,126)	(10,642)	-	(4,268)	(1,584)	2,219	**(54,401)**	-	59,432
	2,164,087	908,547	930	100,861	129,868	116,983	**3,421,276**	**4,737,801**	3,422,993
SERVICES PURCHASED									
Advertising and printing	-	-	-	-	22,541	-	**22,541**	32,800	31,270
Communication	77,163	750	-	6,827	30,002	-	**114,742**	91,300	108,547
Contracted services	290,159	186,275	-	278,682	-	107,673	**862,789**	848,790	874,922
Maintenance and repairs	58,509	31,679	163,149	826,208	11,208	15,381	**1,106,134**	638,627	856,097
Other	149,958	-	-	-	126,185	-	**276,143**	203,500	213,083
Professional and technical	473,958	28,137	-	105,766	20,635	53,661	**682,157**	495,900	779,335
Rentals and leases	171,708	-	-	-	4,485	-	**176,193**	173,576	147,199
Student transportation	418,844	15,547	-	-	-	8,734	**443,125**	733,000	474,391
Travel	71,804	323	-	-	-	678	**72,805**	150,000	71,666
Utilities									
Heating	-	-	50,242	730,125	-	-	**780,367**	735,000	649,308
Electricity	-	-	33,793	957,839	-	-	**991,632**	1,000,000	947,575
Water/Sewage	-	-	21,642	182,063	-	-	**203,705**	172,000	192,169
	1,712,103	262,711	268,826	3,087,510	215,056	186,127	**5,732,333**	**5,274,493**	5,345,562
MATERIALS									
Awards and student events	10,876	-	-	-	12,662	-	**23,538**	25,500	21,574
Freight	7,714	-	-	183	206	-	**8,103**	31,699	15,377
Materials and supplies	1,260,882	56,312	1,956	-	17,868	112,969	**1,449,987**	1,413,565	1,054,283
	1,279,472	56,312	1,956	183	30,736	112,969	**1,481,628**	**1,470,764**	1,091,234
AMORTIZATION	-	-	-	-	914,776	-	914,776	-	982,742
Total operating expenditures	23,018,192	6,153,106	285,951	3,719,416	2,392,128	1,117,719	**36,686,512**	**35,606,554**	35,004,482

Yellowknife District No. 1 Education Authority

(the Authority)

Details of Indigenous Language and Culture-Based Education Expenditures **Statement 6**

For the year ended June 30,	Student Instruction $	Teaching and Learning Resources $	Professional Development $	School Activities and Integrated Community Programs $	Total 2018 $
SALARIES					
ALCBE Teachers	333,257	110,710	-	-	**443,967**
Instructional Assistants	84,590	128,866	-	-	**213,456**
Elders in Schools	-	-	-	44,217	**44,217**
	417,847	239,576	-	44,217	**701,640**
EMPLOYEE BENEFITS	74,762	42,221	-	-	**116,983**
SERVICES PURCHASED					
Professional and technical	-	-	53,661	-	**53,661**
Travel	678	-	-	-	**678**
Maintenance and repairs	660	-	-	14,721	**15,381**
Student travel	-	-	-	8,734	**8,734**
Contracted services	-	-	-	107,673	**107,673**
	1,338	-	53,661	131,128	**186,127**
MATERIALS					
Materials and supplies	24,994	22,054	62,550	3,371	**112,969**
Total operating expenditures	518,941	303,851	116,211	178,716	**1,117,719**

Yellowknife District No. 1 Education Authority

(the Authority)

Details of Inclusive Schooling Expenditures **Statement 7**

For the year ended June 30,	Staff Development $	Assistive Technology $	Student Resources $	General Inclusive Schooling $	Total 2018 $
SALARIES					
Regional Coordinator				126,176	**126,176**
Program support teachers			88,773	1,148,827	**1,237,600**
Teachers/Counsellor/Other			349,442	1,063,364	**1,412,806**
Support assistants			57,396	2,091,558	**2,148,954**
			495,611	4,429,925	**4,925,536**
EMPLOYEE BENEFITS			91,792	816,755	**908,547**
SERVICES PURCHASED					
Professional and technical	28,137	-			**28,137**
Communication			-	750	**750**
Travel	323				**323**
Student transportation				15,547	**15,547**
Maintenance and repairs		31,679		-	**31,679**
Contracted services			-	186,275	**186,275**
	28,460	31,679	-	202,572	**262,711**
MATERIALS					
Materials and supplies	14,600	-	25,985	15,727	**56,312**
	14,600		25,985	15,727	**56,312**
Total operating expenditures	43,060	31,679	613,388	5,464,979	**6,153,106**

French Language Program

BILATERAL AGREEMENT FUNDING
For the year ended June 30, 2018

	Contribution from the Department $	Commitment from the Authority $	Expenses $	Over (under) funding $
Teacher Assistants (Salary)	35,000	35,000	77,681	(7,681)
Literacy Coach (Salary)	70,000	50,000	140,326	(20,326)
Intensive & PIF (Salary)	70,000	230,000	593,535	(293,535)
PIF (Elective courses at SJF)	25,000	5,000	24,708	5,292
Special Projects				
French Camps	38,000	7,000	36,443	8,557
Assessment, Intensive French	15,000	5,000	24,044	(4,044)
French Resources	46,000	10,000	67,191	(11,191)
Cultural Activities	12,000	3,000	6,517	8,483
Professional Development	31,000	9,000	54,372	(14,372)
Consultant	80,000	140,000	215,209	4,791
Library Revitalization				
Selection of Resources (Sub Costs)	3,600	2,400	4,068	1,932
Purchasing of Resources	21,000	14,000	35,458	(458)
Cataloguing and Shelving	5,400	3,600	14,418	(5,418)
Total	**452,000**	**514,000**	**1,293,970**	**(327,970)**

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	**2018**
	$	$	$
Secretary of State (Heritage Canada)			
Revenue			
Contribution from federal government	181,000	-	**181,000**
Expenses			
Salaries and benefits	168,889	112,909	281,798
Other operating and maintenance	12,749	9,305	22,054
	181,638	122,214	**303,852**
Deficit, March 31	(638)	-	
Deficit, June 30	-	(122,214)	
Deficit	(638)	(122,214)	**(122,852)**

Student Success Initiative Projects

For the year ended June 30,	2018 $
Revenue	
Government of the Northwest Territories	123,000
Contribution from the Authority	23,231
Surplus carry-over	(37,831)
Total revenue	**108,400**
Expenses	
Salaries/Wages	
Facilitator fees (including per diems)	57,932
Substitute teacher wages	50,145
Travel	
Facilitator travel	323
Workshop expenses	-
Total expenses	**108,400**
Deficit	-

1. Nature of the Organization

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

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

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the Authority includes all aspects of operation and management relating to Public Education within the boundaries of the City of Yellowknife. The Board is the lowest (and sole) level of government exercising oversight responsibility. The financial statements of the Authority are not included in the financial statements of the City of Yellowknife as the Authority trustees are a separate governing body that is not under the control of the City of Yellowknife. The City of Yellowknife, however, does collect and remit property taxes requisitioned by the Board.

2. Significant Accounting Policies

a) Basis of Accounting

The consolidated financial statements of the Authority have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

b) Cash and Cash Equivalents

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

2. Significant Accounting Policies (Continued)

c) Financial Instruments

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

Financial assets measured at amortized cost include cash, portfolio investments, accounts receivable and due from Government of Canada.

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

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

d) Non-financial Assets

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

2. Significant Accounting Policies (Continued)

e) Tangible Capital Assets

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

Asset Category Amortization Period:
Land and improvements - Indefinite
Buildings - 40 years
Equipment and furnishings - 4 - 10 years

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

The GNWT retains ownership of some tangible capital assets used by the Authority. These assets are used by the Authority and held on behalf of, or in trust for, the GNWT are not recognized by the Authority in the financial statements.

The statement of operations reflects the amount that would otherwise be considered amortization expense for the fiscal year as rent expense with an offsetting corresponding amount as a grant in-kind revenue.

2. Significant Accounting Policies (Continued)

f) Revenue Recognition

Government Transfers:

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

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

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

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

GNWT - Regular Contributions:

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

2. Significant Accounting Policies (Continued)

Local Tax Revenue:

The *Education Act of the Northwest Territories*, by virtue of Section 136(2), empowers a Board of Education to determine the amount, after taking into consideration territorial grants and other revenue, that is to be requisitioned from the municipality within the territory under the jurisdiction of the Board. This requisitioned amount is one portion of the property tax paid annually by property owners. The City of Yellowknife is advised subsequent to the adoption of the budget of the amount of the requisition of the Authority and is responsible for the collection of taxes.

Other Contributions:

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

Revenue from rentals is earned as the facilities are used. Other revenue is recorded as the service is provided and receipt is reasonably assured.

Deferred Revenue:

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

Investment Income:

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

2. Significant Accounting Policies (Continued)

School Funds

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

g) 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.

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 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

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.

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 budget accumulated surplus, capital fund reserve and the LED lights 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.

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

3. Future Accounting Changes

a) 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.

4. Cash (Bank Indebtedness)

	2018 $	2017 $
Cash	**2,906,917**	2,790,354

The cash is held in a bank account with RBC and is invested with the GNWT's investment pool.

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

	2018 $	2017 $
GIC Investment with CIBC (interest rate range from 1.75% to 2.85% and maturity range from November 18, 2019 to April 27, 2021)	3,038,282	3,010,704
GIC Investment with RBC Dominion Securities (interest rate range from 1.75% to 2.85% and maturity range from November 18, 2019 to April 27, 2021)	2,022,532	2,021,108
	5,060,814	5,031,812

The investments are recorded at amortized cost, which includes the cost plus any interest earned to June 30, 2018.

8. Accounts Receivable

	2018 $Net	2017 $Net
Due from related parties (Note 24)	865,046	771,100
Due from Government of the Northwest Territories (Note 24)	138,692	47,720
Due from WSCC	-	-
Other	237,269	104,390
Total	**1,241,007**	923,210

Allowance for doubtful accounts at June 30, 2018 is $nil (2017 $nil).

9. Inventories

Inventory consists of computer equipment held for use for the next school year.

10. Accounts Payable and Accrued Liabilities

	2018 $	2017 $
Environmental liabilities (Note 35)	100,485	-
Accrued interest	25	24
Damage deposits	25,938	23,687
Due to Government of the Northwest Territories (Note 24)	7,621	389
Trade payable	450,813	487,228
Due to WSCC	-	-
	584,882	511,328

11. Deferred Revenue

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

	2018 $	2017 $
Tree of Peace	120,000	-
GNWT MACA - Youth Corps	10,000	20,000
Tides Canada	15,000	-
	145,000	20,000

12. Contribution Repayable

The Authority does not have any contribution repayable.

13. Due from the Government of Canada

Receivables	2018 $	2017 $
GST Receivable	122,365	166,457
Projects on behalf of the Government of Canada	56,650	-
	179,015	166,457

14. Capital Lease Obligations

The Authority does not have any Capital Lease Obligations.

15. Pension

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

The amount contributed to the NEBS pension was $3,025,811. 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 $166,787 for January 2018, and $165,077 for January 2017 The maximum monthly contributions is $2,944 for January 2018, and $2,914 for January 2017.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 3,033 Employee Members and 99 Employer Members (total active, disabled and on leave 1,863).

As of January 1, 2018, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be $24,000,000 - funded ratio 113% (2017 - $18,500,000 and 110%) on a going concern valuation basis. The Plan had a solvency ratio deficiency of $110,840,600 and a solvency ratio of 66%. 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, 2017, the NEBS Pension plan had an accumulated surplus of $31,926,928.

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

16. Long-Term Debt

The Authority does not have long-term debt.

17. Other Employee Future Benefits and Compensated Absences

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

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

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

Valuation results

The actuarial valuation was completed as at March 31, 2018. The effective date of the next actuarial valuation is March 31, 2019. The liabilities are actuarially determined as the present value of the accrued benefits at March 31, 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 Authority.

17. Other Employee Future Benefits and Compensated Absences (Continued)

Changes in Obligation	Severance and Removal $	Compensated Absences $	2018 $	2017 $
Accrued benefit obligation beginning of year	1,282,136	447,470	1,729,606	1,645,992
Current period benefit cost	75,972	35,399	111,371	120,716
Interest accrued	35,431	14,553	49,984	47,683
Benefits payments	(61,830)	(156,941)	(218,771)	(161,489)
Actuarial (gain)/loss	(525,737)	62,493	(463,244)	24,184
Plan amendments	-	-	-	52,520
Accrued benefit obligation end of year	**805,972**	**402,974**	**1,208,946**	1,729,606
Unamortized net actuarial loss/(gain)	586,646	(144,569)	442,077	(24,184)
Total employee future benefits and compensated absences	**1,392,618**	**258,405**	**1,651,023**	1,705,422
Benefits Expense				
Current period benefit cost	75,972	35,399	111,371	120,716
Interest accrued	35,431	14,553	49,984	47,683
Amortization of net actuarial (gain)/loss	(8,677)	11,692	3,015	-
Plan amendments	-	-	-	52,520
Total benefits expense	**102,726**	**61,644**	**164,370**	220,919

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 3.8% (2017 - 3.3%). The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	Total
	$	$	$
2019	128,667	52,462	**181,129**
2020	113,997	51,588	**165,585**
2021	107,149	49,977	**157,126**
2022	111,258	52,973	**164,231**
2023	122,924	59,458	**182,382**
2024-2028	450,776	245,018	**695,794**
Total	**1,034,771**	**511,476**	**1,546,247**

18. Trust Assets Under Administration

The Authority does not have any trust assets under administration.

19. Tangible Capital Assets

	Cost $	Accumulated Amortization $	**2018 Net Book Value** $	2017 Net Book Value $
Land and improvements	1,299,476	-	**1,299,476**	1,299,476
School buildings				
Ecole Sir John Franklin	2,253,436	(1,135,789)	1,117,646	1,181,920
William McDonald	7,078,328	(6,370,495)	707,833	884,791
Mildred Hall	11,009,651	(6,301,915)	4,707,736	4,982,978
Range Lake North	8,215,859	(5,134,912)	3,080,948	3,286,344
N. J. Macpherson	5,329,162	(4,089,291)	1,239,870	1,376,329
Ecole J. H. Sissons	2,436,769	(2,436,769)	-	-
	36,323,205	(25,469,171)	**10,854,033**	11,712,362
Other buildings				
Administration office	1,070,827	(669,267)	401,560	428,331
Nordic Arms residence	595,205	(595,205)	-	-
Total land and buildings	39,288,713	(26,733,643)	**12,555,069**	13,440,169
Equipment and furnishings				
Schools	4,546,839	(4,384,184)	162,655	67,394
Playgrounds	149,972	(149,972)	-	-
Residences	64,045	(64,045)	-	-
Administration office	322,132	(322,132)	-	-
Vehicles	246,532	(220,802)	25,728	30,875
	5,329,520	(5,141,135)	**188,383**	98,269
	44,618,233	(31,874,778)	**12,743,452**	13,538,438

20. Prepaid Expenses

	2018 $	2017 $
Insurance	11,679	29,324
Professional Development	5,835	2,667
Materials and Supplies	23,860	23,329
Leases	20,655	-
WSCC	34,803	78,220
	96,832	133,540

21. GNWT Assets Provided at no Cost

The following assets were provided to the Authority by the GNWT at no cost.

	Cost $	Accumulated Amortization $	2018 **Net Book Value** $	2017 Net Book Value $
Ecole Sir John Franklin	25,965,232	25,965,232	-	-
Ecole Sir John Franklin portable classrooms	419,724	317,447	102,277	112,767
N.J. Macpherson	1,413,831	379,757	1,034,074	1,069,427
	27,798,787	26,662,436	**1,136,351**	1,182,194
Deferred capital contributions				
Ecole Sir John Franklin	(1,442,500)	(1,442,500)	-	-
	26,356,287	25,219,936	**1,136,351**	1,182,194

Rent expense of $45,843 (2017 - $1,361,287) was offset by a grant in-kind.

22. Contractual Obligations (Commitments)

The Authority has a contract with Cardinal Coach Lines Limited for student transportation. The Authority is invoiced monthly and the amounts vary depending on a number of factors. The contract is renewed until June 2019.

The Authority leases space from Route 51. The contract is renewed until June 2019.

The Authority has a collective bargaining agreement with the NWT Teachers Association for teachers, specialists and education assistance which expired August 31, 2020.

The Authority has a collective bargaining agreement with the United Steelworkers for support staff which expired on June 30, 2017. The Authority will commence negotiations with the United Steelworkers union in the fall of 2018. The Authority is waiting for the UNW to complete its negotiations with the GNWT.

The Authority has a Ricoh photocopy equipment lease with annual payments of $30,037 plus maintenance expiring in July 1, 2021.

The Authority also leases from Lenovo computers with 2017/2018 lease payments of $49,505. The last lease expires April 1, 2020.

	Expires in Fiscal Year	2019 $	2020-2022 $	Total $
Commitments:				
Commercial and Residential Leases	2019	37,800	-	37,800
Equipment Leases	2021	79,543	105,402	184,945
Operational Leases (Bussing)	2019	440,000	-	440,000
Total		557,343	105,402	**662,745**

23. Contingencies

The Authority does not have contingencies.

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 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

24. Related Parties (Continued)

	2018 $Net	2017 $Net
Due to Related Parties:		
Accounts Payable:		
Government of the Northwest Territories		
Department of Finance	7,621	389
Total Due to Related Parties	**7,621**	389
Due from Related Parties:		
Accounts Receivable:		
Other related parties:		
Aurora College	-	2,534
N'Dilo District Education Authority	581,638	595,701
Dettah District Education Authority	263,695	139,594
Commission Scolaire Francophone Territories Du Nord Ouest	19,713	31,695
South Slave DEC	-	1,576
Subtotal - other related parties	**865,046**	771,100
Government of the Northwest Territories		
Department of Finance	10,214	47,720
Department of Education, Culture and Employment	128,478	-
Subtotal - Government of the Northwest Territories	**138,692**	47,720
Total Due from Related Parties	**1,003,738**	818,820

These balances due from related parties are unsecured, non-interest bearing with no specific terms of repayment.

24. Related Parties (Continued)

	2018 $	2017 $
Revenues from Related Parties:		
Government of the Northwest Territories:		
Department of Education Culture & Employment - regular contributions	27,852,910	25,678,111
Department of Education Culture & Employment - Other contributions	165,456	314,237
Department of Education Culture & Employment - Indigenous languages	181,000	60,000
Department of Education Culture & Employment - French languages	502,648	523,000
Department of Finance - Interest	69,032	77,145
Department of Health & Social Services - GNWT other contributions	16,290	22,233
Department of Municipal and Community Affairs - GNWT other contributions	128,100	111,800
Department of Environment and Natural Resources - GNWT other contributions	-	21,500
Commission Scolaire Francophone Territories Du Nord Ouest - Other education bodies	21,963	31,356
N'Dilo District Education Authority)	30,000	30,000
Dettah District Education Authority - Other education bodies	142,715	77,590
South Slave DEC - Other education bodies	15,000	30,000
Total Revenues from Related Parties	**29,125,114**	26,976,972

24. Related Parties (Continued)

	2018 $	2017 $
Expenses Paid to Related Parties:		
Government of the Northwest Territories:		
Department of Infrastructure - Maintenance and repairs	5,108	5,254
Department of Industry, Tourism and Investment - Materials and supplies	2,090	6,718
Department of Financial and Employee Shared Services - Professional and technical	6,875	1,750
Department of Education, Culture & Employment - Professional and technical	108,566	-
Stanton Territorial Health Authority - Maintenance and repairs	929	4,888
Yellowknife Catholic Schools - Materials and supplies	3,499	1,200
Yellowknife Catholic Schools - Contracted services	795	1,120
Ecole Allain St. Cyr - Materials and supplies	305	140
Aurora College - Professional and technical	904	-
Total Expenses paid to Related Parties	-	129,071

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.

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 13, 2017 and submitted to the Minister of Education, Culture and Employment and have not been audited. The Budget was submitted to the minister on September 15, 2017, the budget deficit is $174,000.

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.

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, 2018, receivables from two organizations comprised approximately 83% (2017 - 87%) of the total outstanding receivables. Furthermore there is a concentration risk in cash and portfolio investments the full balance in these accounts is held at two financial institutions. The Authority is funded by Government of Northwest Territories - Department of Education, Culture, and Employment and other stable organizations, which reduces its exposure to credit risk. Most of the credit risk exposure is with trade receivables, Dettah District Education Authority, and the N'Dilo District Education Authority. The authority reduces its risk exposure by following up on old account receivables for collection and entering into service agreement with well-established organizations. As at June 30, 2018, 16% (2017 -22%) of other account receivable was non-current which represents $168,374 (2017 - $189,323) 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.

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, 2018 mature within the next six months. Total financial assets $8,683,013 (2017 - $8,255,918) of which $4,051,694 (2017 - $4,181,714) are not expected to mature within one year. Total financial liabilities are $5,967,532 (2017 - $6,250,849). The authority has disclosed future financial liabilities and commitments in Note 22.

28. Expenditures By Object

	2018 Budget	2018 Actual	2017 Actual
	$	$	$
Amortization	-	914,776	982,742
Compensation	28,861,297	28,557,775	27,181,674
Other	6,745,257	7,213,961	6,436,796
	35,606,554	**36,686,512**	34,601,212

29. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2018 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.

31. ECE Contributions

	Budget 2018 $	Actual 2018 $	Actual 2017 $
Original Contribution	27,289,956	27,289,956	25,186,000
Student Success Initiatives	123,000	123,000	123,000
Updated Average Salary	-	16,883	-
Termination Benefits	423,598	424,938	444,349
Mentorship Release Time	47,000	54,132	47,762
Updated Contribution	**27,883,554**	**27,908,909**	25,801,111
Indigenous Language	60,000	181,000	60,000
French Language	422,000	422,000	422,000
French Library Revitalization	-	30,000	-
French Professional Development	-	800	50,000
French Partnership Funding SSDEC	-	35,000	-
French Language Communications	-	14,848	-
Self Regulation	-	5,500	7,000
Preschool Attendance (Prior Year difference)	-	20,457	163,491
Early Childhood Intervention	-	16,500	-
Labour Market Agreement for Persons with Disabilities	-	67,000	-
French Special Projects	-	-	51,000
Safe School Plans	-	-	20,746
Total Contributions	**28,365,554**	**28,702,014**	26,575,348

32. GNWT Other Contributions/ Revenue

	Budget 2018 $	Actual 2018 $	Actual 2017 $
Department of MACA:			
Active After School	-	91,800	91,800
Youth Corp	-	20,000	20,000
Department of Health and Social Services:	-	-	-
Drop the Pop	-	16,290	22,233
Department of ENR:	-	-	-
Take a Kid Trapping	-	16,300	20,000
Compost Program	-	-	1,500
Total	**-**	**144,390**	155,533

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.

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. A Liability has been recorded for the asbestos abatement of the maintenance building as it is planned to be completed August 2018 and August 2019. No Liability has been recorded by the Authority for the remaining buildings as there is no current plan to remediate nor is there an environmental liability as a result. Management will continue to monitor these buildings under the Hazardous Materials management plan.

36. Accumulated Surplus/ Deficit

A consolidated statements of funds and surplus and reserves have been prepared as follows:

Details of Funds

For the year ended June 30,	2018 $	2017 $
OPERATING FUND		
Balance, beginning of year	566,402	729,783
Operating deficit (Statement 2)	(778,839)	(944,300)
Transfer (to) from Investment in Tangible Capital Assets	914,776	982,742
Transfer (to) from Decentralized Surplus	(140,211)	(116,236)
Transfer to LED reserve	(30,518)	(215,376)
Transfer from LED reserve for lighting upgrades	99,759	129,789
Balance, end of year	**511,579**	566,402
INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Balance, beginning of year	13,538,438	14,521,180
Acquisition of tangible capital assets	119,790	-
Amortization	(914,776)	(982,742)
Balance, end of year	**12,743,452**	13,538,438

36. Accumulated Surplus/ Deficit (Continued)

Details of Surplus and Reserves

For the year ended June 30,	2018 $	2017 $
DECENTRALIZED SURPLUS		
Balance, beginning of year	246,285	130,049
Transfer (to) from Operating Fund	140,211	116,236
Balance, end of year	**386,496**	246,285
CAPITAL FUND RESERVE		
Balance, beginning of year	904,165	904,165
Balance, end of year	**904,165**	904,165
LED Reserve		
Balance, beginning of year	422,037	336,450
Transfer from Operating Fund	30,518	215,376
Transfer to Operating Fund for lighting upgrades	(99,759)	(129,789)
Balance, end of year	**352,796**	422,037

Audited Financial Statements
Tlicho Community Services Agency
Behchoko, NT

For the year ended March 31, 2019

Tlicho Community Services Agency
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Tłı̨chǫ Community Services Agency

Management Discussion and Analysis
March 31, 2019

The Tlicho Community Services Agency (TCSA) is a unique organization in the Northwest Territories. It is a Government of the Northwest Territories Agency, while incorporating the values and principles of the Tlicho people.

Our mission statement "Strong Like Two People" was developed to ensure that the TCSA is committed to the development of a continuum of care that will return control of education, health, and social programs and services to the people of our communities, support them in the task of strengthening their families, promote the knowledge and skills they need to survive today, and model the values they need to live in harmony with their families, communities, and the land.

The Agency is also unique in that it is the only agency in the Northwest Territories to deliver both the health and social services programs in conjunction with the education programs. All the other regions have separate agencies for the delivery of health and education programs. The advantage of the TCSA model is that we are able to more effectively link the delivery of these programs.

The TCSA serves a population of approximately three thousand people (3,000) in the communities of Behchoko, Whati, Gameti and Wekweeti. The TCSA delivers its programs through five schools and four health centers in the region, and one long term care facility located in Behchoko.

The Agency had an annual budget in fiscal 2018-2019 of $36.309 million, a dedicated workforce of approximately 250 employees with a total payroll budget of $29.384 million, which represents 80.9% of the Agency's total annual budget.

For the 2018-2019 fiscal year, the TCSA Health and Social Services Activities incurred an operating deficit of $969,115, thereby arriving at an accumulated operating deficit of $3.771 million. The 2018-2019 operating deficit represents approximately 5.3% of the total health budget of $18.302 million.

The operating deficit in health for 2018-2019 can be attributed to a number of factors:

(1) The Agency remains underfunded for the delivery of Child and Family Services. Spending for Foster Care exceeded the funding by $381,212. This spending was required due to the number of children in care.
(2) The costs to operate the health centers in our three main communities has increased compared to the prior year's costs, and exceeded the funding by $182,656. Overtime / standby costs continue to run over budgeted amounts. The overtime would normally be expected as services are required to be delivered outside of the regular business hours.
(3) The ongoing costs to operate our Ambulance Services continue to run over funding and the operating deficit has increased to $314,399 (2017-2018: $246,884).

For its 2018-2019 Education activities the TCSA incurred an annual deficit of $571,898. As a result of this the TCSA Education activities now have an accumulated surplus of $322,419 remaining.

While these financial statements include expenses for education from April to March, an additional set of financial statements is prepared annually for Education which runs for the school year of July 1 to June 30, and we will report to the department of Education our complete results at that time.

Summary and Outlook

- The fiscal outlook for the TCSA remains challenging and this is in large part caused by two items:
  - The GNWT funds positions at a pay step 4 to take turnover into account. At the TCSA however, turnover is very low. As a result of this, many employees are paid at a pay step level 8 which results in the funding for regular payroll being insufficient to cover the actual payroll cost.
  - Overtime, standby and callback pay are not specifically funded by the GNWT. The majority of these expenses are unavoidable however. Because of the thin management structure of the TCSA, the percentage of the staff incurring overtime would be higher than elsewhere in the GNWT.

- The Department of Health and Social Services recognizes the above issue and has approved the Agency's 2019-2020 budget with a deficit of $841,075. However, the funding for this deficit has not been addressed.

- For 2019-2020 the TCSA has received funding for seven positions to improve Child and Family Services. The majority of this funding is used to offset the cost of staff positions above and beyond those that are funded, as demanded by the significant caseloads in this program area.



Chief Executive Officer

June 26, 2019

Tłı̨chǫ Community Services Agency

To the Ministers of Health and Social Services and Education, Culture and Employment

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 Agency in all material respects, and in accordance with Canadian Public Sector Accounting Standards (CPSAS), as well as the Financial Administration Manual (FAM) of the Government of the Northwest Territories.

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

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 Health and Social Services and Department of Education, Culture and Employment of the Government of the Northwest Territories.

Tłı̨chǫ Community Services Agency

Approved and confirmed on behalf of the Tłı̨chǫ Community Services Agency

Shannon Barnett-Aikman,
Chief Executive Officer
Tłı̨chǫ Community Services Agency
June 26, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Ministers of Health and Social Services and Education, Culture and Employment

Qualified Opinion
We have audited the financial statements of the Tlicho Community Services Agency, which comprise the statement of financial position as at March 31, 2019, and the statements of operations, statement of changes in net financial resources and cash flows for the year then ended. We have also audited the revenue and expenditures of programs funded through contribution agreements by the Department of Health and Social Services which total $250,000 or more listed in Schedule A.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Tlicho Community Services Agency as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards. Further, these statements present fairly, in all material respects, the funding and expenditures of all Health and Social Services funded programs $250,000 or more in Schedule A for the year ended March 31, 2019 in accordance with the provisions established by the individual Contribution Agreements.

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.

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
As required by the Hospital Insurance and Health and Social Services Administration Act and the Financial Administration Act, we report that proper books and records of account have been kept by the Agency, that the consolidated financial statements are in agreement therewith, and that the transactions that have come under our notice have been, in all material respects, within the statutory powers of the Agency.

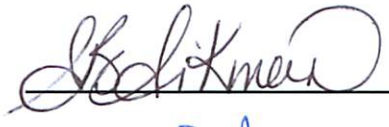


Yellowknife, NWT
June 26, 2019

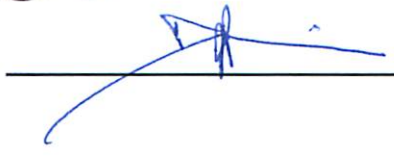
EPR Yellowknife Accounting Professional Corporation
Chartered Professional Accountants

Tlicho Community Services Agency
Statement of Financial Position
As at March 31, 2019

	March 31, 2019	March 31, 2018
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 2,408,847	$ 2,232,820
Accounts Receivable (Note 8)	1,683,946	968,855
	4,092,793	3,201,674
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	1,294,208	776,131
Wages and Benefits Payable - GNWT (Note 10)	4,538,122	2,775,699
Employee Future Benefits (Note 16)	1,607,776	1,156,250
Deferred Revenue (Note 11)	117,529	417,282
	7,557,635	5,125,363
Net Financial Debt	(3,464,842)	(1,923,688)
Non-Financial Assets		
Inventory Held for Use (Note 9)	98,200	63,500
Tangible Capital Assets (Note 18)	23,778	72,315
Prepaid Expenses (Note 19)	1,000	-
	122,978	135,815
Accumulated Surplus (Deficit) (Page 6)	**$ (3,341,864)**	**$ (1,787,873)**



Chief Executive Officer



Chairman of the Board

Tlicho Community Services Agency
Consolidated Operations
Statement of Operations
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Revenue			
Health & Social Services (Page 3)	$ 17,349,200	$ 18,301,915	$ 17,082,384
Education (Page 4)	16,630,180	18,201,214	18,037,159
Other Operations (Page 5)	300,000	380,638	318,311
	34,279,380	36,883,767	35,437,854
Expenditure			
Health & Social Services - Compensation	14,357,758	15,033,618	13,469,095
Health & Social Services - Other	3,944,209	4,237,412	4,089,332
Total Health & Social Services (Page 3)	18,301,967	19,271,030	17,558,428
Education - Compensation	15,026,044	15,120,367	14,155,095
Education - Other	2,680,611	3,652,745	2,859,950
Total Education (Page 4)	17,706,655	18,773,112	17,015,045
Other Operations - Compensation	-	-	-
Other Operations - Other	300,000	393,610	270,024
Total Other Operations (Page 5)	300,000	393,610	270,024
	36,308,622	38,437,752	34,843,497
Operating Surplus (Deficit)	**$ (2,029,242)**	**$ (1,553,985)**	**$ 594,357**
Rent Expense - GNWT Assets provided at no cost (Note 21)		568,174	542,794
Grant-In-Kind - GNWT Assets provided at no cost (Note 21)		(568,174)	(542,974)
Annual Surplus (Deficit)	**$ (2,029,242)**	**$ (1,553,985)**	**$ 594,357**

Tlicho Community Services Agency
Health & Social Services
Statement of Operations
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Revenue			
Contributions from GNWT (Schedule A)	$ 16,801,000	$ 17,560,753	$ 16,260,433
Interest Income	30,000	61,141	33,272
Other Income	140,000	158,580	303,480
Recoveries	378,200	521,441	485,198
	17,349,200	18,301,915	17,082,384
Expenditure			
Administrative & Support Services	1,450,701	1,486,016	1,136,841
Ambulatory Care Services	859,989	1,092,649	980,859
Community Health Programs	7,311,942	7,627,136	7,351,485
Community Social Programs	8,458,586	8,936,329	7,960,588
Diagnostic & Therapeutic Services	220,742	128,900	128,655
	18,301,960	19,271,030	17,558,428
Operating Surplus (Deficit)	**$ (952,760)**	**$ (969,115)**	**$ (476,044)**
Rent Expense - GNWT Assets provided at no cost (Note 21)		568,174	542,794
Grant-In-Kind - GNWT Assets provided at no cost (Note 21)		(568,174)	(542,794)
Annual Surplus (Deficit)		**$ (969,115)**	**$ (476,044)**
Opening Accumulated Deficit		**$ (2,802,275)**	**$ (2,326,230)**
Closing Accumulated Deficit		**$ (3,771,390)**	**$ (2,802,275)**

Tlicho Community Services Agency
Education
Statement of Operations
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Operating Fund - Revenue			
Government of the Northwest Territories			
Regular Contribution from ECE	$ 16,293,580	$ 16,910,239	$ 17,246,577
Other ECE Contribution	256,600	484,576	246,068
Contributions from Other GNWT Departments	-	135,650	140,317
	16,550,180	17,530,465	17,632,962
Board Generated Funds			
Other Contributions and Miscellaneous	55,000	609,608	370,925
Investment Income	25,000	61,141	33,272
	80,000	670,749	404,197
Total Operating Revenue	16,630,180	18,201,214	18,037,159
Operating Fund Expenses - per schedule C			
School Programs	10,984,005	11,784,614	11,401,476
Inclusive Schooling	3,452,674	3,232,435	2,836,078
Administration	1,341,348	1,539,733	947,093
Aboriginal Language/Cultural Programs	1,928,628	2,216,330	1,830,398
Total Expense	17,706,655	18,773,112	17,015,045
Operating (Surplus) Deficit	**$ (1,076,475)**	**$ (571,898)**	**$ 1,022,114**

Tlicho Community Services Agency
Other Operations
Statement of Operations
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Revenue			
Recoveries - Housing	$ 300,000	$ 380,638	$ 318,311
	-	-	-
Expenses			
General Administrative Expenditures	-	40,403	24,364
Lease Property - Housing	300,000	353,207	245,660
	-	393,610	270,024
Operating Surplus (Deficit)	**$ -**	**$ (12,972)**	**$ 48,287**

Statement III

Tlicho Community Services Agency
Statement of Changes in Net Debt
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Annual Surplus (Deficit) (Page 2)	$ (2,029,242)	$ (1,553,985)	$ 594,357
Decrease (Increase) in Inventories Held for Use	-	(34,700)	(6,636)
Decrease (Increase) in Prepaid Expenses	-	(1,000)	-
Amortization of Tangible Capital Assets	-	48,537	48,537
Increase (Decrease) in Net Financial Resources	-	(1,541,148)	636,258
Opening Net Financial Resources	(1,923,688)	(1,923,688)	(2,559,946)
Closing Net Debt	**$ (1,923,688)**	**$ (3,464,842)**	**$ (1,923,688)**
Accumulated Surplus (Deficit)			
Health & Social Services			
Opening Surplus - Health & Social Services	$ (2,802,275)	$ (2,802,275)	$ (2,326,230)
Current Year's Surplus (Deficit) (Page 3)	(952,760)	(969,115)	(476,044)
Closing Surplus (Deficit)	(3,755,035)	(3,771,390)	(2,802,275)
Education			
Opening Surplus - Education	894,317	894,317	(127,797)
Current Year's Surplus (Deficit) (Page 4)	(1,076,475)	(571,898)	1,022,114
Closing Surplus (Deficit)	(182,158)	322,419	894,317
General			
Opening Surplus - Other	120,079	120,079	71,792
Current Year's Surplus (Deficit) (Page 5)	-	(12,972)	48,287
Closing Surplus (Deficit)	120,079	107,107	120,079
Total Closing Accumulated Deficit	**$ (3,817,114)**	**$ (3,341,864)**	**$ (1,787,873)**

Tlicho Community Services Agency
Statement of Cash Flow
For the year ended March 31, 2019

	2019	2018
Cash Provided by (used in) Operating Transactions		
Annual Surplus (Deficit)	$ (1,553,985)	$ 594,357
Items not affecting cash:		
Amortization	48,537	48,537
(Increase) decrease in Accounts Receivable	(715,091)	(364,461)
Increase (decrease) in Accounts Payable	518,070	81,140
Increase (decrease) in Wages and Benefits Payable	1,762,423	1,294,676
Increase (decrease) in Inventories Held for Use	(34,700)	(6,636)
Increase in Employee Future Benefits	451,526	(400,892)
Increase (decrease) in Deferred Revenue	(299,753)	244,305
Decrease (Increase) in Prepaid Expenses	(1,000)	-
Net Cash Provided by (used in) Operating Transactions	176,027	1,491,025
Cash Provided by (used in) Investing Transactions		
Disposition (Acquisition) of Portfolio Investments	-	-
Net Cash Provided by Investing Transactions	-	-
Cash Provided by (used in) Financing Transactions		
	-	-
Net Cash Provided by Financing Transactions	-	-
Increase (Decrease) in Cash and Cash Equivalents	176,027	1,491,025
Cash and Cash Equivalents, Beginning of the Year	2,232,820	741,795
Cash and Cash Equivalents, End of the Year	**$ 2,408,847**	**$ 2,232,820**

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2019

1. Nature of Organization

The Agency was established under the Tlicho Government Act by order of the Minister dated August 4, 2005. Its purpose is to administer and maintain the standards of Health and Educational programs defined under the respective Acts in the Member communities of the Tlicho Region.

The Agency was formerly known as the Dogrib Community Services Board and the Dogrib Divisional Board of Education. On May 22, 1997, an agreement was signed between the Dogrib Community Services Board and the Government of the Northwest Territories, Department of Health and Social Services, with the support of the Treaty 11 Council, to deliver Health and Social Service programs in the Dogrib region. The Tlicho Community Services Agency (TCSA) is an integrated Education and Health & Social Services Agency.

The Agency is dependent upon funding from the Government of the Northwest Territories and is a registered charity.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Canadian Public Sector Accounting Board of the Chartered Professional Accountants of Canada and by the directives of the Government of the Northwest Territories - Department of Health and Social Services ("DHSS") and Department of Education, Culture and Employment ("ECE"). Significant accounting policies are as follows.

a) Cash and Cash Equivalents

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

b) Funds

The Agency records financial information in individual funds that are segregated for the purpose of carrying on specific activities or attaining certain objectives. Funds established by the Agency are:
Operating Fund- reflecting activities associated with the Agency's day-to-day operations.

Leave and Termination Liability Fund - reflecting activities in employee leave and termination benefits combined with any amounts transferred from operations to fund these liabilities. This fund represents liabilities which will be funded in the year they become due through the regular annual allocations from the Government of the Northwest Territories ("GNWT").

Endowment and Special Purpose Fund - reflecting activities relating to endowments and other special purpose funds made available to the Agency under conditions specified by donors and other providers.

c) Surplus Reserves

The DHSS policy requires the Agency to establish the following reserves:
Surplus Reserve- reflects funds maintained in a reserve according to the DHSS Operations and Maintenance Surplus Retention Policy.
Employee Future Benefit Reserve- the funds received in advance for the severance liability of employees who were transferred to the Agency from the GNWT. These liabilities are reduced as employees are paid out upon termination of employment with the agency.

2. Significant Accounting Policies (cont'd)

d) Tangible Capital Assets

The GNWT retains ownership of all tangible assets (TCA) used by the Agency or purchased by the Agency (regardless of source of funding for the purchase). The GNWT amortizes TCAs over the estimated useful lives of the assets at the rates established in the Financial Administration Manual over the following terms:

Buildings	40 years
Mainframe and software systems	5-10 years
Leasehold Improvements	Lesser of useful life or lease term plus renewal option

The TCAs used by the Agency and held on behalf of, or in trust for, the GNWT are not recognized by the Agency in the financial statements.

The statement of operations reflects the Rent Expense amount that would otherwise be considered amortization expense for the fiscal year with an offsetting corresponding amount as a Grant-In-Kind revenue.

e) Inventory of Supplies

Inventories of supplies include inventories held for use in the process of providing services and are distributed to clients at no charge or for a nominal charge. Inventories consist of pharmacy items, parts for various equipment, and office supplies. Inventories of supplies are valued at the lower of cost and replacement value.

f) Accrued Employee Leave and Termination Benefits

In accordance with GNWT accounting policies specified for public agencies, the Agency annually accrues estimated employee leave and termination benefits payable

g) Pension Contributions

The Agency and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability to the Agency and are recognized in the accounts on a current basis.

h) Revenue Recognition

The Agency is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS and ECE. Under the arrangements, the Agency is responsible for the net deficit from operations and is allowed to retain surpluses from core programs. Any capital funding not spent may be retained for future capital purchases. These policies do not apply to contribution agreements, where an accounting of and return of surpluses may be required.

Other revenue is recognized when the service is performed or the goods are provided.

Government Transfers

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

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

2. Significant Accounting Policies (cont'd)

i) Financial Instruments

The Agency classifies it financial instruments at cost or amortized cost. The Agency's accounting policy for this financial instrument category is as follows:
Financial instruments held at cost or amortized cost includes cash, accounts receivable, accounts payable and accrued liabilities, payroll liabilities and deferred revenues. They are initially recorded at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with

j) Non-Financial Assets

Non-financial assets are accounted for as assets by the Agency because they can be used to provide government services in futures periods. These assets do not normally provide resources to discharge the liabilities of the Agency unless they are sold.

k) Measurement Uncertainty

The preparation of these financial statements, in conformity with Canadian public sector accounting standards, requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the updated amounts of revenue and expenses during the period. Significant estimates include accounts receivable and doubtful accounts and the actuarial valuation of employee leave and termination benefits. Actual results could differ from these estimates.

3. Future Accounting Changes

PS 3280-Asset Retirement Obligations: This new section establishes standards on how to account for and report a liability for asset retirement obligations. This section is effective for fiscal periods beginning on or after April 1, 2021. The impact of the transition to these accounting standards has not yet been determined.

PS 3400-Revenue: This new section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. This section is effective for fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted. This section may be applied retroactively or prospectively.

4. Cash and Cash Equivalents

	2019	2018
Cash	$ 2,408,847	$ 2,232,820

5. Special Purpose Funds

Nil Report

6. Restricted Funds

Nil Report

7. Portfolio Investments

Nil Report

8. Accounts Receivable

	Accounts Receivable 2019	Allowance for Doubtful Accounts 2019	Net Amount 2019	Net Amount 2018
Due from Third Parties	$ 410,191	$ -	$ 410,191	$ 406,507
Due from Government of Northwest Territories	1,192,203	-	1,192,203	482,262
Workers' Safety and Compensation Commission	3,968	-	3,968	4,973
Health and Social Services	77,584	-	77,584	75,113
	$ 1,683,946	$ -	$ 1,683,946	$ 968,855

9. Inventories

	2019	2018
Inventory Held for Use		
Health Centre Supplies	$ 98,200	$ 63,500

10. Accounts Payable and Accrued Liabilities

	2019	2018
Due to the Government of the Northwest Territories	$ 327,798	$ 121,846
Due to NWT Housing Corporation	-	11,550
Due to NWT Power Corporation	845	377
Due to Northwest Territories Health and Social Services Authority	56,165	6,684
Payable to YK Catholic Schools	2,520	-
Due to Third Parties	906,880	635,674
	$ 1,294,208	$ 776,131

	2019	2018
Payroll Liabilities		
Due to GNWT Payroll Liabilities	$ 3,875,091	$ 2,131,032
Accrued Vacation and Lieu	663,031	594,667
Employee Retroactive Pay	-	50,000
Government of the Northwest Territories	$ 4,538,122	$ 2,775,699

11. Deferred Revenue

Deferred revenue consists of contributions received in advance for activities with dates beyond the fiscal year end. These amounts will be recognized in revenue as expenditures are incurred.

	2019	2018
CJBS - PC Children Charity Nutrition	$ 9,987	$ -
CJBS - Breakfast for Learning	-	9,984
CJBS - On the Land Collaborative	20,000	-
CJBS - Dominion Diamond Ekati	21,875	15,993
CJBS - Food First Foundation	1,500	-
CJBS- Fundraising	3,438	21,422
CJBS - Miscellaneous	5,123	1,665
MEZI - Dominion Diamond Ekati	-	50,105
MEZ1 - Food First Foundation	1,710	-
EMES - Breakfast for Learning	-	3,871
EMES - Breakfast Club	5,020	5,000
EMES - Dominion Diamond Ekati	-	10,052
EMES - Literacy / Book fair	-	6,801
EMES - Miscellaneous	1,071	3,766
EMES - On the Land Collaborative	902	5,734
AAS - Breakfast for Learning	-	2,206
AAS - Dominion Diamond Ekati	-	26,857
AAS - Food First Foundation	-	1,720
AAS - Literacy	-	2,395
AAS - Miscellaneous	-	12,002
JWGS - On the Land Collaborative	6,235	-
JWGS - Breakfast Club	5,729	1,983
JWGS - Dominion Diamond Ekati	20,022	15,266
JWGS - Food First Foundation	3,316	2,227
JWGS Fundraising	2,529	13,000
JWGS - Literacy	632	1,177
JWGS - Miscellaneous	339	-
WEKWEETI - Literacy	2,191	-
WEKWEETI - Children Charity Nutrition	531	-
WEKWEETI - On the Land Collaborative	5,379	-
Regional - Dogrib Learning Materials	-	204,056
	$ 117,529	$ 417,282

12. Contribution Repayable

Nil Report

13. Due from and to the Government of Canada

Nil Report

14. Capital Lease Obligations

Nil Report

15. Pensions

The TCSA's employees participate in Canada's Public Service Plan (PSPP). The PSPP provides benefits based on the number of years of pensionable service to a maximum of 35 years. Benefits are determined by a formula set out in the legislation; they are not based on the financial status of the pension plan. The basic benefit formula is 2 percent per year of pensionable service multiplied by the average of the best five consecutive years of earnings.

The public service plan was amended during 2013 which raised the normal retirement age and other age related thresholds from age 60 to 65 for new members joining the plan on or after January 1, 2013. For existing members, the normal retirement age remains age 60. Furthermore, contribution rates or current service for all members of the public service will increase gradually to an employer: employee cost sharing ratio of 50:50 by 2017. The employer contribution rate effective at the end of the year is 1 times (2016 - 1.15) the employees' contributions for employees who started prior to January 2013 and 1 times (2016 - 1.1) the employees' contributions for all other employees

Other benefits include survivor pensions, minimum benefits in the event of death, unreduced by early retirement, pensions and disability pensions.

Contributions to the PSPP are broken down as follows.

	2019	2018
HSS activities		
Employee	$ 779,333	$ 732,719
Employer	779,919	767,918
	1,559,252	1,500,637
ECE activities		
Employee	1,099,309	1,082,767
Employer	1,093,266	1,079,521
	2,192,575	2,162,288
	$ 3,751,827	$ 3,662,925

16. Employee Future Benefits

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

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

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

Valuation Result

The last actuarial valuation was dated March 31, 2019. The values presented below are for all of the benefits under the Compensated Absences and Termination Benefits for the Agency.

Employee Long Term Benefits Consist of:

	EDU	HSS	2019	2018
Severance and removal	$ 875,236	$ 404,268	$ 1,279,504	$ 879,987
Compensated absences	228,109	100,163	328,272	276,263
	$ 1,103,345	$ 504,431	$ 1,607,776	$ 1,156,250
Net change				
Change in Estimate	$ -	$ -	$ -	
Current period Benefit Cost	63,087	24,793	87,880	
Actuarial (gain) loss)	261,255	314,021	575,276	
Benefits	(98,702)	(155,760)	(254,462)	
Interest accrued	31,621	11,211	42,832	
	$ 257,261	$ 194,265	$ 451,526	

The primary actuarial assumptions include a discount rate of 3.8% to determine the accrued benefit obligation and salary scale of 2% per annum. The expected payments during the next five years are:

	Severance and Removal	Compensated Absences	Total
Year 1	$ 436,253	$ 78,527	$ 514,780
Year 2	151,123	46,475	197,598
Year 3	115,759	36,856	152,615
Year 4	106,790	32,954	139,744
Year 5	82,557	26,418	108,975
Next 5 Years	$ 424,810	$ 123,081	$ 547,891

17. Trust Liabilities

Nil Report

18. Tangible Capital Assets

The agency has purchased buses and ambulances from operating funds provided by the Department of Health and Social Services and Education. These vehicles are being amortized over a straight line basis over 7 Years .

	Cost (unaudited)	Accumulated Amortization (unaudited)	Net Book Value 2019 (unaudited)	Net Book Value 2018 (unaudited)
2014 Ford XLT Ambulance	$ 166,443	$ (142,665)	$ 23,778	$ 47,555
School Buses	173,318	(173,318)	-	24,760
Total	$ 339,761	$ (315,983)	$ 23,778	$ 72,315

19. Prepaid Expenses

Nil Report

20. Capital Advances From the GNWT

Nil Report

21. GNWT Assets Provided At No Cost

Tangible Capital Assets (TCA) are owned by the Government of the Northwest Territories. TCA are amortized over the estimated useful life of the assets at the following rates.

Buildings - 40 Years
Leasehold Improvements - Lesser of useful life or lease term plus renewal option
Mobile Equipment - 15 years

	Cost (Unaudited)	Accumulated Amortization (Unaudited)	Net Book Value 2019 (Unaudited)	Net Book Value 2018 (Unaudited)
Buildings	$ 18,682,626	$ (4,057,824)	$ 14,624,802	$ 14,876,751
Leasehold	252,800	(214,077)	38,723	51,282
Mobile Equipment	325,112	(178,208)	146,904	168,575
Other Equipment	338,468	(55,452)	283,016	316,863
Total	$ 19,599,006	$ (4,505,561)	$ 15,093,445	$ 15,413,471

The TCA information was provided by the Government of the Northwest Territories. Amortization expense 2018 - 2019 $568,174 (2017 - 2018 $542,794)

22. Contractual Obligations (aka Commitments)

The Agency has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2019.

	Expires in Fiscal Year	2020	2021 and Thereafter	Total
Residential Leases	2022-2023	$ 278,700	$ 1,087,725	$ 1,366,425
Equipment Leases	2018-2023	57,307	71,552	128,859
Other Service Contracts	2023	21,582	55,536	77,118
		$ 357,589	$ 1,214,813	$ 1,572,402

23. Contingent Liabilities

In the normal course of operations, the Agency is subject to claims and pending and threatened litigation against the Agency and its staff. The Agency is defending actions brought against it and the Agency has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. The allowance is based upon estimates determined by the Agency's legal experts experience or case law in similar circumstances.

The Agency did not have any environmental liabilities during the year.

24. Prior Year Funding

Nil Report

25. Budget

Budget figures are the opening budgets that were approved on June 30 2018 by the Agency's board of directors, DHSS and ECE. The budget figures are not audited and are intended for information purposes only. These figures represent the Agency's original fiscal plan for the year and do not reflect subsequent changes arising from amendments made by the Departments.

26. Economic Dependence

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

27. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

28. Related Parties And Inter-Entity Transactions

The Agency is related in terms of common ownership to all GNWT created departments and public agencies. The Agency enters into transactions with these entities in the normal course of business. The Agency is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, compensation services by the Department of Human Resources, and internal audit services by the Department of Finance.

	2019	2018
Due from Related Parties		
Government of the Northwest Territories		
Department of Finance	$ 7,239	$ 5,097
Department of Health and Social Services	1,108,957	375,865
Department of Education, Culture and Employment	75,175	101,299
Northwest Territories Health and Social Services Authority	77,584	75,113
Workers' Safety and Compensation Commission	3,968	4,973
	$ 1,272,923	$ 562,347
Due to Related Parties		
Government of the Northwest Territories		
Department of Finance	286,111	97,383
Department of Health and Social Services	199,000	20,578
Department of Education, Culture and Employment	126,634	2,250
Department of Infrastructure	-	149
Petroleum Products Division	2,163	1,486
Yellowknife Catholic School	2,520	-
NWT Power Corporation	845	377
NWT Housing Association	-	11,550
Northwest Territories Health and Social Services Authority	56,165	6,684
	$ 673,438	$ 140,457
Department of Finance - Payroll Liabilities	$ 4,538,122	$ 2,181,032

28. Related Parties And Inter-Entity Transactions (cont'd)

Revenue received from Related Parties not otherwise disclosed in the statements for schedules:

Northwest Territory Heath & Social Services Authority	$	99,845	$	97,395
GNWT - Department of Health and Social Services - NHIB		310,250		275,975
	$	410,095	$	373,370
Expenses paid to Related Parties				
GNWT - Department of Finance	$	430,425	$	83,840
GNWT - Department of Health and Social Services		6,044		83,476
GNWT - Petroleum Products Division		10,448		9,615
GNWT - Department of Infrastructure		987		422
GNWT - Department of Justice		75		4,127
Workers' Safety and Compensation Commission		5,179		4,127
Northwest Territories Health and Social Services Authority		854,150		749,260
NWT Housing Corporation		127,057		30,488
NWT Power Corporation		2,662		1,857
Yellowknife Catholic School		4,260		2,700
James Company Limited		12,000		12,000
	$	1,453,287	$	981,912

Related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

29. Financial Instruments

The Agency is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the:

(i) Credit risk

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

The Agency holds its cash, special purpose funds and trust assets deposits in trust accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables.

These amounts are as disclosed in Note 8.

The Agency's maximum exposure to credit risk is represented by the financial assets for a total of $1,683,946 (2018 - $968,855).

29. Financial Instruments (Cont'd)

(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 of risk. At March 31. 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 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. Total financial assets are $4,092,793 (2018 - $3,201,674) and financial liabilities are $7,557,635 (2018 - $5,125,363). The agency has disclosed future financial liabilities and commitments in Note 22.

30. Contingent Assets

Nil Report

31. Contractual Rights

Nil Report

32. Expenses By Object

		2019	2018
Health & Social Services			
	Compensation		
	Salaries and wages	$ 14,061,428	$ 12,807,917
	Severance and Superannuation	194,265	(110,787)
	Other	777,925	771,965
		$ 15,033,618	**$ 13,469,095**
	Other O&M		
	Amortization	$ 23,778	$ 23,778
	Contracted & General Services	1,922,172	1,922,057
	Grants and Contributions	1,263,286	1,186,284
	Materials and Supplies	647,616	619,390
	Medical and Surgical Supplies	380,560	337,824
	Valuation Allowances	-	-
		$ 4,237,412	**$ 4,089,332**
Education			
	Compensation	$ 15,120,367	$ 14,155,095
	Other O&M	3,652,745	2,859,950
		$ 18,773,112	**$ 17,015,045**
Other			
	Compensation	$ -	$ -
	Other O&M	393,610	270,024
		$ 393,610	**$ 270,024**
Overall			
	Compensation	$ 30,153,985	$ 27,624,190
	Other O&M	8,283,767	7,219,306
		$ 38,437,752	**$ 34,843,497**

Tlicho Community Services Agency
Schedule A
Schedule of Contributions from the GNWT
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Contributions from the GNWT			
Core contribution - Department of Health & Social Services			
Administration & Support Services			
Administration	$ 700,000	$ 709,000	$ 700,000
Facility Maintenance & Support	35,000	35,000	35,000
Finance	173,000	176,000	173,000
Human Resources	-	15,000	-
System Support	87,000	91,000	64,000
NIHB Administration	-	50,000	-
Community Health Programs			
Community Clinics & Health Centres	5,458,000	5,528,000	5,458,000
Health Promotion & Community Wellness	315,000	315,000	315,000
Homecare & Support Services	697,000	718,000	697,000
Physician Services	785,000	821,000	785,000
Mental Health & Addictions	973,000	990,000	973,000
Residential Care Children & Adults	3,406,000	3,454,000	3,421,000
Community Social Programs			
Child & Family Services	3,236,000	3,779,505	2,566,000
Family Violence Prevention	31,000	31,000	31,000
Diagnostic & Therapeutic Services			
Diagnostic Services	17,000	19,000	77,000
Supplementary Health Programs			
Medical Travel	458,000	468,000	458,000
	16,371,000	17,199,505	15,753,000
Other Contribution - Department of Health & Social Services			
Enhanced Home Care - Schedule A-1	430,000	361,248	460,335
Victims of Family Violence	-	-	27,741
Mental Health First Aid Training	-	-	9,982
Applied Suicide Intervention Skills Training (ASIST)	-	-	9,375
Total Contributions from GNWT	$ 16,801,000	$ 17,560,753	$ 16,260,433

Tlicho Community Services Agency
Schedule A-1
Schedule of Detailed Contribution Funding and Expense
Home and Community Care Enhancement - (HSS01-0000002214)
Health & Social Services - GNWT
For the year ended March 31, 2019

	Unaudited 2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - Department of Health & Social Services	$ 430,000	$ 361,248	$ 460,335
	430,000	361,248	460,335
Expenses			
Salaries	370,250	299,582	388,014
Material & Supplies	4,500	7,154	8,966
Gasoline	3,000	4,190	2,434
Food	14,000	24,568	25,431
Vehicle Maintenance	3,500	4,435	4,742
Medical and Surgical Supplies	4,000	4,587	6,000
Delivery & Courier	2,500	4,187	4,917
Telephone	1,000	1,597	2,845
Travel	14,500	3,879	7,065
Equipment Maintenance	1,000	-	-
Minor Equipment	3,750	3,930	-
Contract Services	8,000	3,139	9,921
	430,000	361,248	460,335
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule B
Schedule of Reserves
For the year ended March 31, 2019

	Surplus/Deficit		Leave & Termination		Special Projects		Total Reserves	
Balance, beginning of the year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Additions/Reductions to/from Reserves	-	-	-	-	-	-	-	-
Transfers between Reserves	-	-	-	-	-	-	-	-
Balance, end of the year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The Agency has no funds in reserves.

Tlicho Community Services Agency
Schedule C
Education Division
Schedule of Expenses
For the year ended March 31, 2019

	School Programs	Inclusive Schooling	Administration	Aboriginal Languages	Total
Salaries					
Teachers	$ 7,192,825	$ 1,047,624	$ -	$ 903,951	$ 9,144,400
Instructional Asst.	-	1,448,465	-	254,162	1,702,627
Non-Instructional Staff	2,221,013	189,987	925,300	377,637	3,713,937
Board Honoraria	-	-	24,144	-	24,144
Employee Benefits					
Benefits/Allowance	284,184	-	251,075	-	535,259
Services Purchased/Contracted					
Postage/Communication	86,283	-	46,918	1,757	134,958
Travel/Training	140,482	121,516	60,817	149,442	472,257
Adverting/Printing/Publishing	4,058	-	-	-	4,058
Maintenance and Repairs	49,819	-	-	3,579	53,398
Rentals and Leases	67,712	-	2,371	1,968	72,051
Vehicle Expense	144,053	547	3,094	6,355	154,049
Other	13,548	1,466	65,170	10,050	90,234
Contributed Services	25,307	-	71,782	79,152	176,241
Contract Services	411,298	161,356	38,540	80,407	691,601
Home Boarding Allowance	21,175	-	-	-	21,175
Materials	1,023,193	261,159	47,054	248,491	1,579,897
Furniture and Equipment	53,610	-	-	98,422	152,032
Freight	46,054	315	3,468	957	50,794
Total Expense	**$ 11,784,614**	**$ 3,232,435**	**$ 1,539,733**	**$ 2,216,330**	**$ 18,773,112**

Tlicho Community Services Agency
Schedule C.1
Education - Contribution Agreements
Other Education Contributions
For the year ended March 31, 2019

Contribution Agreement Revenues		**2019**	**2018**
Teaching and Learning Centre - 2017-18	Schedule C-1	$ 204,057	$ 64,943
Teaching and Learning Centre - 2018-19	Schedule C-2	101,000	-
Public Library Services	Schedule C-3	140,000	140,000
Self-Regulation	Schedule C-4	7,000	6,000
LMAPD	Schedule C-5	-	35,125
Northern Distance Learning	Schedule C-6	13,310	-
Health & Wellness Curr. Pilot Support	Schedule C-7	13,250	-
Youth with Disabilities	Schedule C-8	5,960	-
Take a Kid Trapping Program	Schedule C-9	39,500	37,700
Active After School	Schedule C-10	73,200	76,600
Youth Contribution (Music) - Chief Bruneau School	Schedule C-11	5,000	5,000
Youth Contribution - Jean Wetrade Gameti School	Schedule C-12	4,000	1,024
Youth Contribution - Mezi Community School	Schedule C-13	-	1,054
Youth Contribution (School Trip) - Chief Jimmy Bruneau School	Schedule C-14	4,000	9,000
Drop the Pop	Schedule C-15	9,950	9,950
Yoga Fitness - Jean Wetrade Gameti School	Schedule C-16	-	3,414
Jordan's Principle	Schedule C-17	116,090	-
First Food Foundation	Schedule C-18	2,761	7,643
Breakfast for Learning	Schedule C-19	25,543	28,762
Breakfast Club	Schedule C-20	9,340	1,751
APPLE School Foundation	Schedule C-21	54,888	-
Ekati Mine (Cultural)	Schedule C-22	201,377	157,916
On the Land Collaborative	Schedule C-23	33,968	4,266
Miscellaneous	Schedule C-24	92,562	51,681
		$ 1,156,756	$ 641,829

Tlicho Community Services Agency
Schedule C.1
Education - Contribution Agreements
Other Education Contributions
For the year ended March 31, 2019

Contribution Agreement Expenditures		**2019**	**2018**
Teaching and Learning Centre - 2017-18	Schedule C-1	$ 215,504	$ 64,943
Teaching and Learning Centre - 2018-19	Schedule C-2	103,879	-
Public Library Services	Schedule C-3	140,964	140,567
Self-Regulation	Schedule C-4	7,025	7,613
LMAPD	Schedule C-5	-	32,422
Northern Distance Learning	Schedule C-6	13,310	-
Health & Wellness Curr. Pilot Support	Schedule C-7	13,250	-
Youth with Disabilities	Schedule C-8	5,960	-
Take a Kid Trapping Program	Schedule C-9	39,661	37,803
Active After School	Schedule C-10	73,160	78,187
Youth Contribution (Music) - Chief Bruneau School	Schedule C-11	5,000	5,000
Youth Contribution - Jean Wetrade Gameti School	Schedule C-12	4,000	1,187
Youth Contribution - Mezi Community School	Schedule C-13	-	1,052
Youth Contribution (School Trip) - Chief Jimmy Bruneau School	Schedule C-14	4,000	9,136
Drop the Pop	Schedule C-15	9,996	9,950
Yoga Fitness - Jean Wetrade Gameti School	Schedule C-16	-	2,985
Jordan's Principle	Schedule C-17	116,090	-
First Food Foundation	Schedule C-18	2,705	7,810
Breakfast for Learning	Schedule C-19	25,800	29,178
Breakfast Club	Schedule C-20	9,340	1,751
APPLE School Foundation	Schedule C-21	54,888	-
Ekati Mine (Cultural)	Schedule C-22	201,451	132,916
On the Land Collaborative	Schedule C-23	33,983	4,266
Miscellaneous	Schedule C-24	93,951	49,863
		$ 1,173,917	$ 616,629
Excess of Funding over Expenditures		**$ (17,161)**	**$ 25,200**

Tlicho Community Services Agency
Schedule C-1
Schedule of Specific Program
Teaching and Learning Centre - 2017-18
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ -	$ 269,000
GNWT - ECE Deferred	-	204,057	(204,057)
Total Funding	**-**	**204,057**	**64,943**
Expenses			
Materials & Supplies	-	145,240	55,641
Delivery & Courier	-	126	-
Training & Development	-	63,332	832
Travel	-	-	3,105
Contract Services	-	6,806	5,365
Total Expenses	**-**	**215,504**	**64,943**
Excess Funding over Expense	**$ -**	**$ (11,447)**	**$ -**

Tlicho Community Services Agency
Schedule C-2
Schedule of Specific Program
Teaching and Learning Centre - 2018-19
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ 101,000	$ -
Total Funding	**-**	**101,000**	**-**
Expenses			
Materials & Supplies	-	3,991	-
Dues & Fees	-	5,050	-
Capital equipment < $50K	-	91,721	-
Contract Services	-	3,117	-
Total Expenses	**-**	**103,879**	**-**
Excess Funding over Expense	**$ -**	**$ (2,879)**	**$ -**

Tlicho Community Services Agency
Schedule C-3
Schedule of Detailed Contribution Funding and Expenses
Public Library Services
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	2019 Actual	2018 Actual
Funding							
GNWT - ECE	$ 140,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 140,000	$ 140,000
Total Funding	**140,000**	**35,000**	**35,000**	**35,000**	**35,000**	**140,000**	**140,000**
Expenses							
Salaries & Benefits	-	-	-	-	-	-	49,465
Materials & Supplies	20,000	-	1,730	2,827	-	4,557	5,916
Contract Services	120,000	35,188	33,376	32,173	35,670	136,407	85,186
Total Expenses	**140,000**	**35,188**	**35,106**	**35,000**	**35,670**	**140,964**	**140,567**
Excess Funding over Expense	**$ -**	**$ (188)**	**$ (106)**	**$ -**	**$ (670)**	**$ (964)**	**$ (567)**

Tlicho Community Services Agency
Schedule C-4
Schedule of Detailed Contribution Funding and Expenses
Self Regulation
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ 7,000	$ 6,000
Total Funding	**-**	**7,000**	**6,000**
Expenses			
Materials & Supplies	-	7,025	7,613
Total Expenses	**-**	**7,025**	**7,613**
Excess Funding over Expense	**$ -**	**$ (25)**	**$ (1,613)**

Tlicho Community Services Agency
Schedule C-5
Schedule of Detailed Contribution Funding and Expenses
LMAPD
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ -	$ 35,125
Total Funding	**-**	**-**	**35,125**
Expenses			
Contract Services	-	-	32,422
Total Expenses	**-**	**-**	**32,422**
Excess Funding over Expense	**$ -**	**$ -**	**$ 2,703**

Tlicho Community Services Agency
Schedule C-6
Schedule of Detailed Contribution Funding and Expenses
Northern Distance Learning
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ 9,164	$ -
GNWT - ECE A//R	-	4,146	-
Total Funding	**-**	**13,310**	**-**
Expenses			
Contract Services	-	13,310	-
Total Expenses	**-**	**13,310**	**-**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-7
Schedule of Detailed Contribution Funding and Expenses
Health & Wellness Curr. Pilot Support
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE	$ -	$ 13,250	$ -
Total Funding	**-**	**13,250**	**-**
Expenses			
Materials & Supplies	-	13,250	-
Total Expenses	**-**	**13,250**	**-**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-8
Schedule of Detailed Contribution Funding and Expenses
Youth with Disabilities
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - ECE A/R	$ -	$ 5,960	$ -
Total Funding	**-**	**5,960**	**-**
Expenses			
Contract Services	-	5,960	-
Total Expenses	**-**	**5,960**	**-**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-9
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping Program
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding								
GNWT - ENR	$ 40,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 7,500	$ 39,500	$ 37,700
Total Funding	**40,000**	**8,000**	**8,000**	**8,000**	**8,000**	**7,500**	**39,500**	**37,700**
Expenses								
Materials & Supplies	32,000	2,000	8,001	8,037	3,878	3,411	25,327	10,358
Gasoline	-	-	-	-	-	834	834	2,205
Contract Services	8,000	6,100	-	-	4,150	3,250	13,500	25,240
Total Expenses	**40,000**	**8,100**	**8,001**	**8,037**	**8,028**	**7,495**	**39,661**	**37,803**
Excess Funding over Expense	**$ -**	**$ (100)**	**$ (1)**	**$ (37)**	**$ (28)**	**$ 5**	**$ (161)**	**$ (103)**

Tlicho Community Services Agency
Schedule C-10
Schedule of Detailed Contribution Funding and Expenses
Active After School
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding								
GNWT - MACA	$ 76,600	$ 12,000	$ 16,300	$ 16,300	$ 12,300	$ 16,300	$ 73,200	$ 76,600
GNWT - MACA - Reallocation	-	1,680	10,220	-	(12,300)	400	-	-
Total Funding	**76,600**	**13,680**	**26,520**	**16,300**	**-**	**16,700**	**73,200**	**76,600**
Expenses								
Materials & Supplies	61,300	13,660	26,504	16,300	-	16,471	72,935	53,056
Contract Services	15,300	-	-	-	-	225	225	25,131
Total Expenses	**76,600**	**13,660**	**26,504**	**16,300**	**-**	**16,696**	**73,160**	**78,187**
Excess Funding over Expense	**$ -**	**$ 20**	**$ 16**	**$ -**	**$ -**	**$ 4**	**$ 40**	**$ (1,587)**

Tlicho Community Services Agency
Schedule C-11
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Music) - Chief Jimmy Bruneau School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - MACA	$ -	$ 5,000	$ 5,000
Total Funding	**-**	**5,000**	**5,000**
Expenses			
Materials & Supplies	-	-	500
Contract Services	-	5,000	4,500
Total Expenses	**-**	**5,000**	**5,000**
Excess Funding over Expense	$ -	$ -	$ -

Tlicho Community Services Agency
Schedule C-12
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution - Jean Wetrade Gameti School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - MACA	$ -	$ 4,000	$ 1,024
Total Funding	**-**	**4,000**	**1,024**
Expenses			
Materials & Supplies	-	-	912
Travel	-	4,000	275
Total Expenses	**-**	**4,000**	**1,187**
Excess Funding over Expense	$ -	$ -	$ (163)

Tlicho Community Services Agency
Schedule C-13
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution - Mezi Community School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - MACA	$ -	$ -	$ 1,054
Total Funding	**-**	**-**	**1,054**
Expenses			
Travel	-	-	1,052
Total Expenses	**-**	**-**	**1,052**
Excess Funding over Expense	**$ -**	**$ -**	**$ 2**

Tlicho Community Services Agency
Schedule C-14
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Trip) - Chief Jimmy Bruneau School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
GNWT - MACA	$ -	$ 4,000	$ 4,000
Tlicho Government	-	-	5,000
Total Funding	**-**	**4,000**	**9,000**
Expenses			
Travel	-	4,000	9,136
Total Expenses	**-**	**4,000**	**9,136**
Excess Funding over Expense	**$ -**	**$ -**	**$ (136)**

Tlicho Community Services Agency
Schedule C-15
Schedule of Detailed Contribution Funding and Expenses
Drop the Pop
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding								
GNWT - HSS	$ -	$ 1,500	$ 1,050	$ 625	$ 1,000	$ 800	$ 4,975	$ 9,950
GNWT - HSS A/R	-	1,500	1,050	625	1,000	800	4,975	-
Total Funding	**-**	**3,000**	**2,100**	**1,250**	**2,000**	**1,600**	**9,950**	**9,950**
Expenses								
Materials & Supplies	-	3,040	2,100	1,250	2,006	1,600	9,996	9,950
Total Expenses	**-**	**3,040**	**2,100**	**1,250**	**2,006**	**1,600**	**9,996**	**9,950**
Excess Funding over Expense	**$ -**	**$ (40)**	**$ -**	**$ -**	**$ (6)**	**$ -**	**$ (46)**	**$ -**

Tlicho Community Services Agency
Schedule C-16
Schedule of Detailed Contribution Funding and Expenses
Yoga Fitness - Jean Wetrade Gameti School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
NWT, Minister Responsible for Women Deferred	$ -	$ -	$ -
NWT, Minister Responsible for Women Deferred - PY	-	-	3,414
Total Funding	**-**	**-**	3,414
Expenses			
Materials & Supplies	-	-	2,985
Total Expenses	**-**	**-**	**2,985**
Excess Funding over Expense	**$ -**	**$ -**	**$ 429**

Tlicho Community Services Agency
Schedule C-17
Schedule of Detailed Contribution Funding and Expenses
Jordan's Principle
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
Gov't of Canada, Min of Indigenous Services	$ -	$ 116,090	$ -
Total Funding	**-**	**116,090**	**-**
Expenses			
Salaries & Benefits	-	93,339	-
Contract Services	-	22,751	-
Total Expenses	**-**	**116,090**	**-**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-18
Schedule of Detailed Contribution Funding and Expenses
Food First Foundation
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	Wekweeti	2019 Actual	2018 Actual
Funding							
Food First Foundation	$ -	$ 1,500	$ 2,300	$ 1,250	$ 290	$ 5,340	$ 11,590
Food First Foundation Deferred - PY	-	-	-	2,227	1,720	3,947	(3,947)
Food First Foundation Deferred - CY	-	(1,500)	(1,710)	(3,316)	-	(6,526)	-
Total Funding	**-**	**-**	**590**	**161**	**2,010**	**2,761**	**7,643**
Expenses							
Materials & Supplies	-	-	-	161	1,954	2,115	7,810
Contract Services	-	-	590	-	-	590	-
Total Expenses	**-**	**-**	**590**	**161**	**1,954**	**2,705**	**7,810**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**	**$ -**	**$ 56**	**$ 56**	**$ (167)**

Tlicho Community Services Agency
Schedule C-19
Schedule of Detailed Contribution Funding and Expenses
Breakfast for Learning
For the year ended March 31, 2019

	2019 Budget	CJBS Elem	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding							
Breakfast for Learning	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,823
Breakfast for Learning Deferred - PY	-	9,984	-	3,871	2,206	16,061	(16,061)
PC Children Charity	-	10,000	3,000	7,000	-	20,000	-
PC Children Charity Deferred - CY	-	(9,987)	-	-	(531)	(10,518)	-
Total Funding	**-**	**9,997**	**3,000**	**10,871**	**1,675**	**25,543**	**28,762**
Expenses							
Materials & Supplies	-	9,997	3,046	11,082	1,675	25,800	27,558
Contract Services	-	-	-	-	-	-	1,620
Total Expenses	**-**	**9,997**	**3,046**	**11,082**	**1,675**	**25,800**	**29,178**
Excess Funding over Expense	**$ -**	**$ -**	**$ (46)**	**$ (211)**	**$ -**	**$ (257)**	**$ (416)**

Tlicho Community Services Agency
Schedule C-20
Schedule of Detailed Contribution Funding and Expenses
Breakfast Club
For the year ended March 31, 2019

	2019 Budget	JWGS	EMES	2019 Actual	2018 Actual
Funding					
Breakfast Club of Canada	$ -	$ 5,606	$ 7,500	$ 13,106	$ 8,734
Breakfast Club of Canada Deferred - PY	-	1,983	5,000	6,983	(6,983)
Breakfast Club of Canada Deferred - CY	-	(5,729)	(5,020)	(10,749)	-
Total Funding	**-**	**1,860**	**7,480**	**9,340**	**1,751**
Expenses					
Materials & Supplies	-	1,860	7,480	9,340	1,751
Total Expenses	**-**	**1,860**	**7,480**	**9,340**	**1,751**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-21
Schedule of Detailed Contribution Funding and Expenses
APPLE School
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
The APPLE School Foundation	$ 55,000	$ 48,182	$ -
The APPLE School Foundation A/R	-	6,706	-
Total Funding	**55,000**	**54,888**	**-**
Expenses			
Salaries & Benefits	55,000	51,214	-
Materials & Supplies	-	3,674	-
Total Expenses	**55,000**	**54,888**	**-**
Excess Funding over Expense	**$ -**	**$ -**	**$ -**

Tlicho Community Services Agency
Schedule C-22
Schedule of Detailed Contribution Funding and Expenses
Ekati (Cultural Program)
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding								
Ekati Mine	$ -	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 125,000	$ 276,188
Ekati Mine Deferred - PY	-	15,993	50,105	15,266	10,052	26,857	118,273	(118,272)
Ekati Mine Deferred - CY	-	(21,874)	-	(20,022)	-	-	(41,896)	-
Total Funding	**-**	**19,119**	**75,105**	**20,244**	**35,052**	**51,857**	**201,377**	**157,916**
Expenses								
Materials & Supplies	-	13,729	23,087	9,943	36,084	50,001	132,844	99,686
Gasoline	-	3,012	-	-	-	288	3,300	2,762
Delivery & Courier	-	-	-	-	-	148	148	-
Travel	-	(23)	-	-	-	-	(23)	955
Minor Equipment <$5K	-	-	3,494	-	-	-	3,494	-
Capital Equipment >$5K <$50K	-	-	48,518	-	-	-	48,518	-
Contract Services	-	2,400	-	10,300	(950)	1,420	13,170	29,513
Total Expenses	**-**	**19,118**	**75,099**	**20,243**	**35,134**	**51,857**	**201,451**	**132,916**
Excess Funding over Expense	**$ -**	**$ 1**	**$ 6**	**$ 1**	**$ (82)**	**$ -**	**$ (74)**	**$ 25,000**

Tlicho Community Services Agency
Schedule C-23
Schedule of Detailed Contribution Funding and Expenses
On the Land Collaborative
For the year ended March 31, 2019

	2019 Budget	CJBS	MEZI	JWGS	EMES	Wekweeti	2019 Actual	2018 Actual
Funding								
Tides Canada	$ -	$ 20,000	$ 15,000	$ 7,000	$ 10,000	$ 8,750	$ 60,750	$ 10,000
Tides Canada Deferred - PY	-	-	-	-	5,734	-	5,734	(5,734)
Tides Canada Deferred - CY	-	(20,000)	-	(6,235)	(902)	(5,379)	(32,516)	-
Total Funding	**-**	**-**	**15,000**	**765**	**14,832**	**3,371**	**33,968**	**4,266**
Expenses								
Materials & Supplies	-	-	14,999	765	548	1,846	18,158	4,266
Contract Services	-	-	-	-	14,300	1,525	15,825	-
Total Expenses	**-**	**-**	**14,999**	**765**	**14,848**	**3,371**	**33,983**	**4,266**
Excess Funding over Expense	**$ -**	**$ -**	**$ 1**	**$ -**	**$ (16)**	**$ -**	**$ (15)**	**$ -**

Tlicho Community Services Agency
Schedule C-24
Schedule of Detailed Contribution Funding and Expenses
Miscellaneous
For the year ended March 31, 2019

	2019 Budget	2019 Actual	2018 Actual
Funding			
CJBS Miscellaneous	$ -	$ 3,458	$ 2,624
CJBS Miscellaneous (Deferred) - PY	-	1,665	(1,665)
CJBS Miscellaneous (Deferred) - CY	-	(5,123)	-
CJBS Fundraising	-	21,607	22,308
CJBS Fundraising (Deferred) - PY	-	21,422	(21,422)
CJBS Fundraising (Deferred) - CY	-	(3,438)	-
CJBS Get Active	-	375	-
MEZI Miscellaneous	-	-	9,841
MEZI Dogmushing	-	2,500	-
JWGS Miscellaneous	-	5,092	2,625
JWGS Miscellaneous (Deferred) - PY	-	(339)	-
JWGS Fundraising	-	1,100	13,000
JWGS Fundraising (Deferred) - PY	-	13,000	(13,000)
JWGS Fundraising (Deferred) - CY	-	(2,529)	-
JWGS Literacy	-	-	5,000
JWGS Literacy (Deferred) - PY	-	1,177	(1,177)
JWGS Literacy (Deferred) - CY	-	(632)	-
JWGS Fitness (Tlicho Gov't)	-	4,200	-
EMES Miscellaneous	-	825	9,335
EMES Miscellaneous (Deferred) - PY	-	3,766	(3,766)
EMES Miscellaneous (Deferred) - CY	-	(1,071)	-
EMES Literacy (Tlicho Government)	-	-	16,997
EMES Literacy (Tlicho Government) Deferred - PY	-	-	2,491
EMES Literacy (Tlicho Government) Deferred - CY	-	6,801	(6,801)
EMES Book Fair	-	4,500	-
AAS Miscellaneous	-	2,000	6,875
AAS Miscellaneous (Deferred) - PY	-	12,002	(12,002)
AAS Miscellaneous (Deferred) - CY	-	-	13,213
AAS Literacy	-	-	4,600
AAS Literacy (Deferred) - PY	-	2,395	(2,395)
AAS Literacy (Deferred) - CY	-	(2,191)	-
AAS Youth Contribution (School Trip)	-	-	5,000
	-	**92,562**	**51,681**
Expenses			
CJBS Miscellaneous	-	-	959
CJBS Fundraising	-	39,592	885
CJBS Get Active	-	397	-
MEZI Miscellaneous	-	-	5,106
MEZI Fundraising	-	-	2,549
MEZI Dogmushing	-	2,500	-
JWGS Miscellaneous	-	4,753	1,196
JWGS Fundraising	-	11,571	-
JWGS Literacy	-	545	3,823
JWGS Fitness (Tlicho Gov't)	-	4,200	-
EMES Miscellaneous	-	3,520	5,569
EMES Literacy (Tlicho Government)	-	6,923	12,686
EMES Bookfair	-	5,069	1,799
AAS Miscellaneous	-	14,677	8,086
AAS Literacy	-	204	2,205
AAS Youth Contribution (School Trip)	-	-	5,000
	-	**93,951**	**49,863**
Excess Funding over Expense	**$ -**	**$ (1,389)**	**$ 1,818**

Financial Statements of

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

March 31, 2019

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Financial Statements

Year ended March 31, 2019

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Hay River Health & Social Services Authority | Administration des services de santé et des services sociaux de Hay River
37911 MacKenzie Highway | 37911, route MacKenzie
Hay River, NT X0E 0R6

Management Discussion and Analysis

Introduction

Hay River Health and Social Services Authority (HRHSSA) have a mandate to provide publicly funded health and social services under the Hospital Insurance and Health and Social Services Administration Act. Services are provided to the residents of the Town of Hay River, Hay River Reserve, Enterprise, Kakisa, 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.

Brian Willows is our Public Administrator and Erin Griffiths, our CEO, leads the Senior Management Team. Members of the Senior Management Team are Frances Aylward, Director of Client Care Services, Carol Heron-Colosimo, Director, Social Programs, Jennifer Croucher, Manager, Human Resources, Bonnie Kimble, Manager of Quality and Risk and Andrew Laming, Director of Finance and Administration.

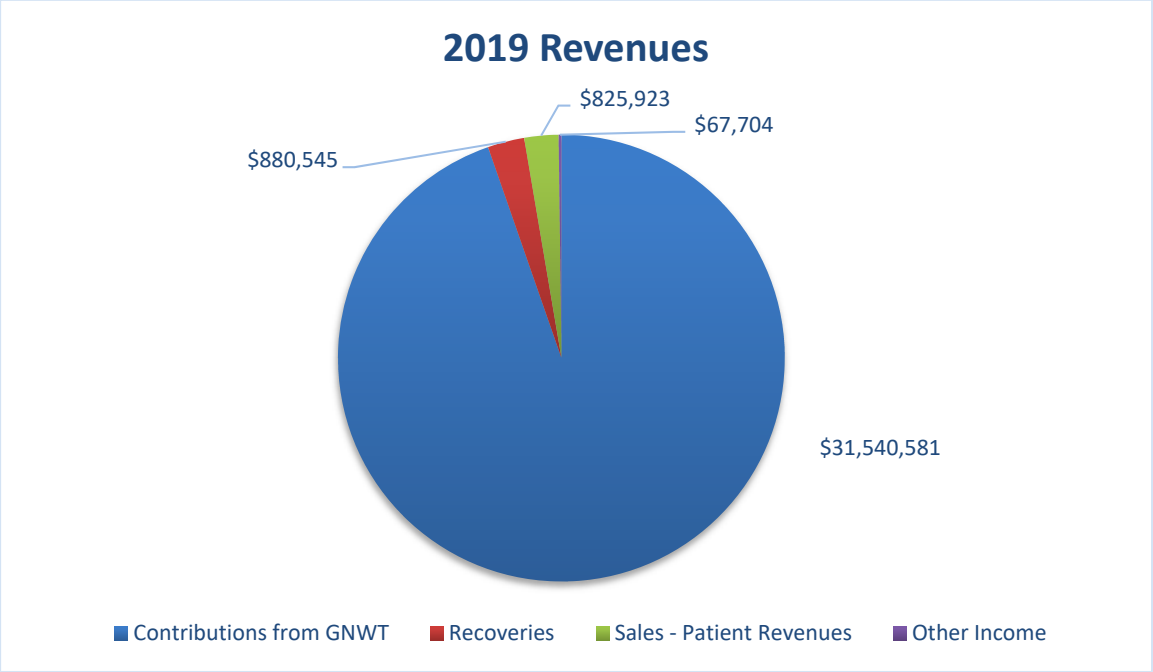
The last four years has shown a decline in the annual deficit due to an increase in the net value of the pension plan asset. The financial statements present an accumulated surplus of $9,826,666. Including in the deficit is a $500,000 cash reserve. If we remove the pension plan asset and cash reserve from the effects of the accumulated surplus, there is a resulting adjusted

accumulated deficit of $5,800,334. 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 $15,127,000 higher than the pension obligation.

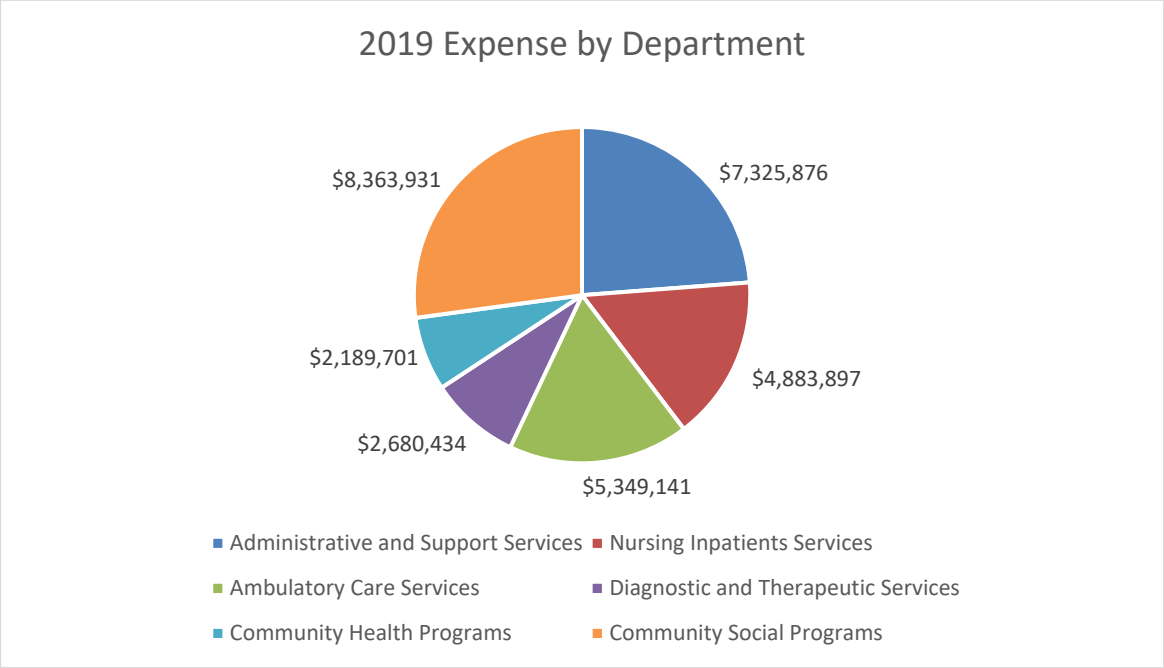
Support services include Human Resources, Finance, Information Services, Material Management, Housekeeping, Laundry services, Engineering services, Dietary, Registration, Medical Records and Electronic Medical Records. The cost of providing basic services continue to grow, however, Management and Staff 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

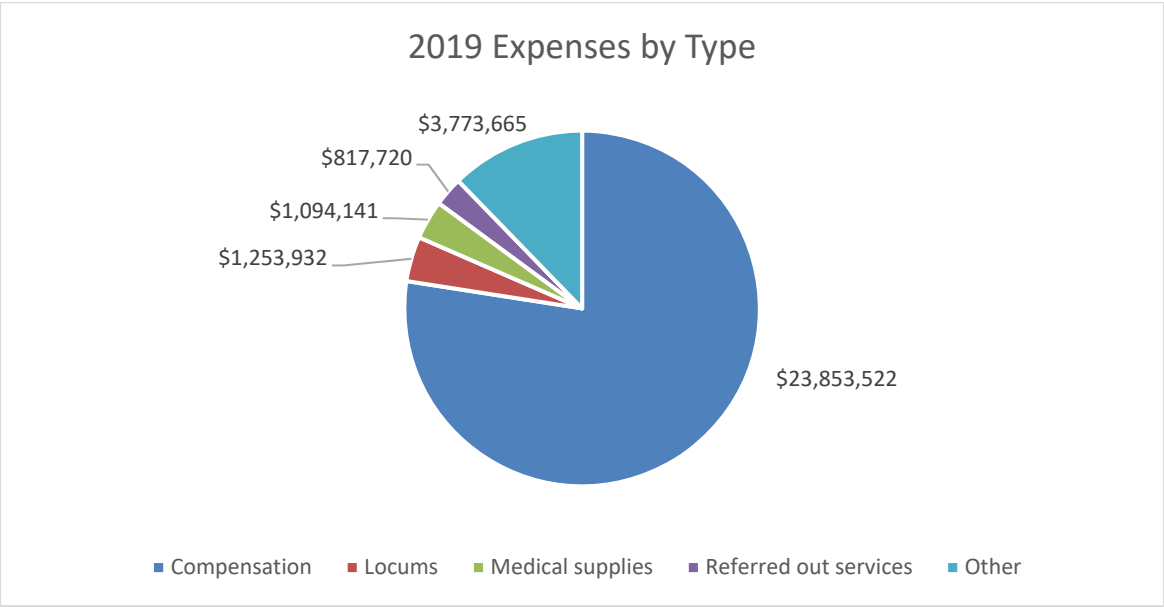
The Authority had $33.3M in revenues for the year of which 96% of the funds received were obtained from the GNWT, which is consistent with prior years.



The following 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.

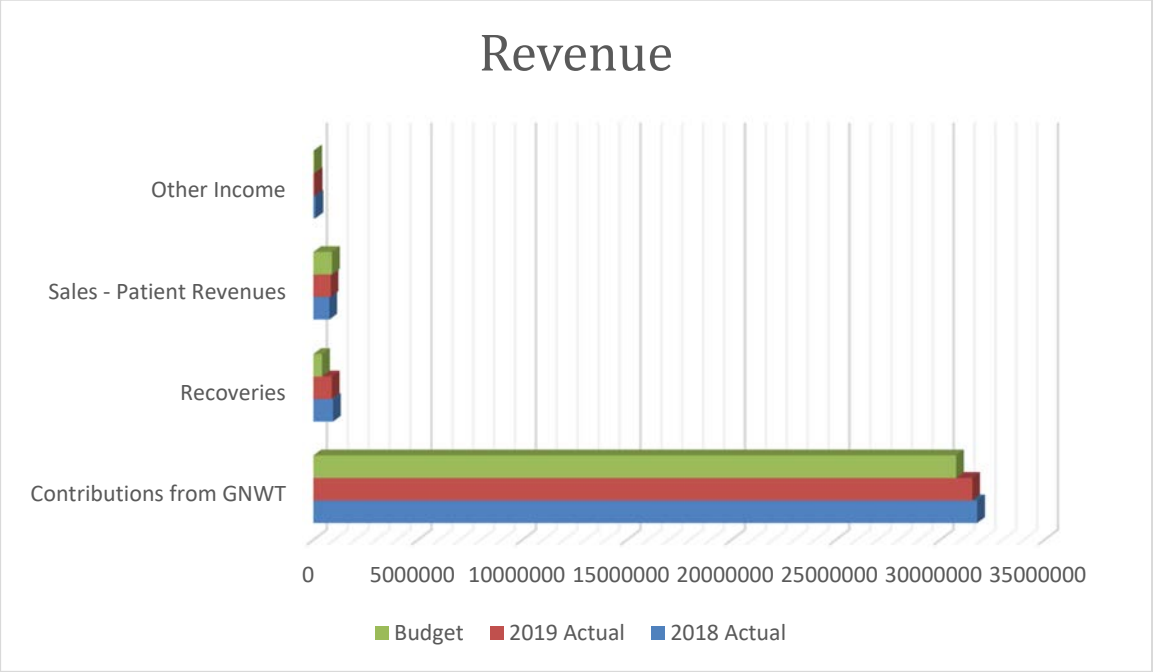


Consistent with prior years, wages account for 77% of total spending. Other costs include items such as supplies, referred out services, purchased services personnel, rent, equipment maintenance and other costs associated with the operation of the Authority.

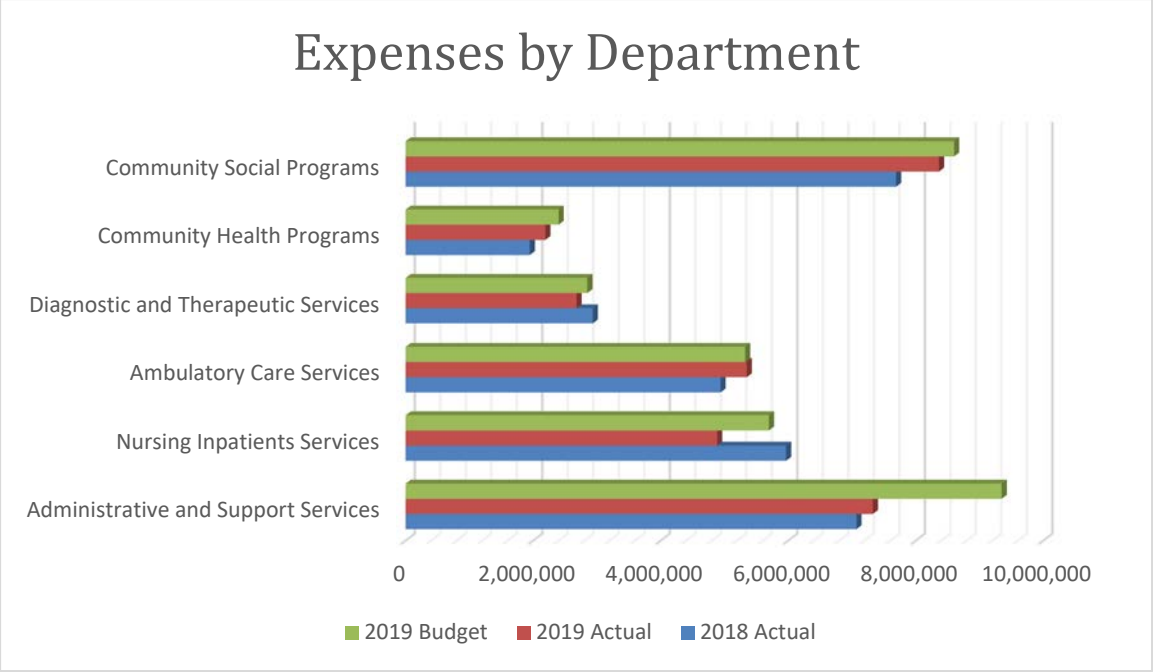


This next group of charts show the current year, prior year and budget numbers for comparative purposes.

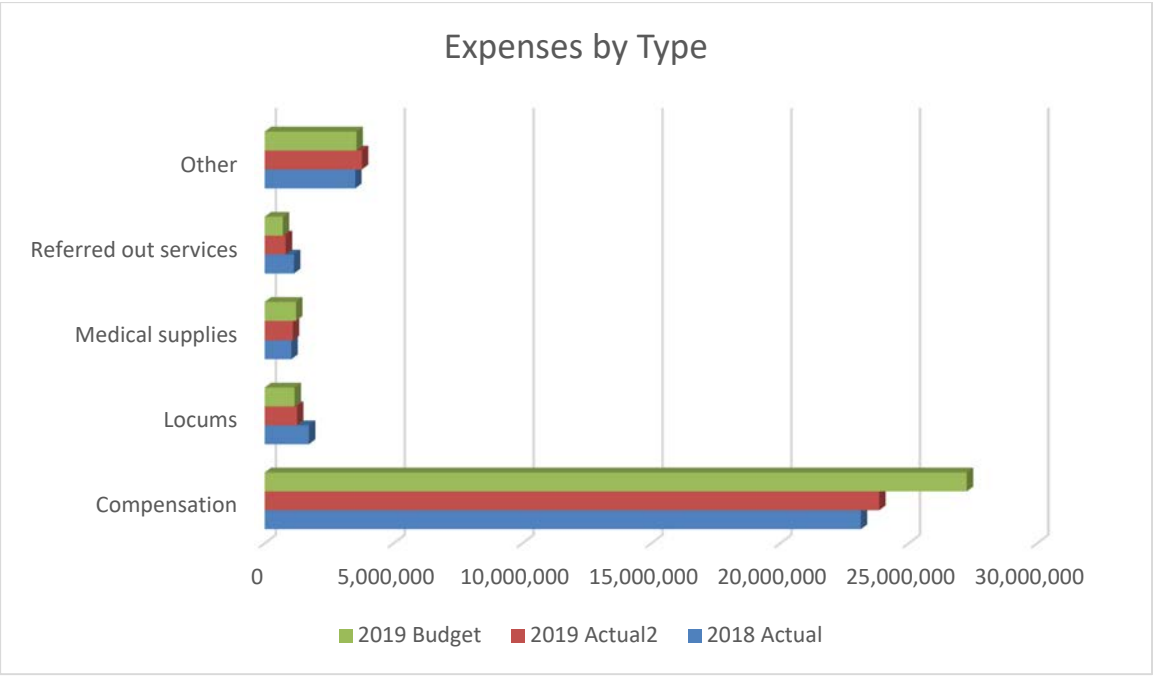
Revenues allocations from year to year and current year to budget are consistent with expectations and no significant variances exist with the exception of the increased Contributions from the GNWT to help fund pension special payments.



In comparing the current year expenses by department to budget, administration costs are lower than budgeted as they include the pension special payments of $1.1M, which was budgeted at half that costs incurred, and the unrealized gain in the pension plan financial asset of $2.5M. 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.



In comparing expenses by type, there are 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.



Operating Environment

HRHSSA's strength has always been a dedicated and long standing staff in front-line and Manager/Supervisory roles that are dedicated to providing quality care to clients. Management and staff are conscious of our deficit and make decisions that save money and time.

Communication between departments remains a challenge as staff are busy and have been relocated to separate facilities, and some communications do not reach the target. During the year there were 16,120 patients seen in the medical clinic and 6,917 emergency visits.

Social Programs in the Northwest Territories have experienced a transformation in the way we provide services to the public. Child and Family Services have implemented new Standards, tools and an Action Plan designed to improve the quality of services that is consistent throughout the NT. Currently all 3 Authorities have trained all of our Child Protection Workers in the first of six Structured Decision Making Tools, designed to better engage clients and their families, improve the quality of services and better support Child Protection Workers.

The Community Counselling Program has been operating with less than 50% staff capacity in 2018/2019. Currently we are working to fill any vacancies within this Department. Due to vacancies, the client wait list has increased and the wait times for services has become longer.

In January, 2019, The Community Counselling Program developed a comprehensive Action Plan with the focus to improve effectiveness and efficiencies in the way we provide services to the Community.

Using a team approach we are planning on implementing policies and procedures that help to define how we provide services to the Public. The Community Counselling Program operates under the umbrella of the NWT Community Counselling Program. That program is guided by the Standards and Procedures Manual approved by the Department of Health & Social Services. The policy and practice changes outlined in the HRHSSA Action Plan, are not intended to substitute for the policies and practices contained in that manual; rather they are intended to augment and refine departmentally-approved policies and practices in Hay River and its catchment area.

We are optimistic that these changes, will improve services to clients.

Healthy Families statistics continue to grow on a monthly basis. There are 90 regular families this team of two staff provide services to. Programming has been maintained due to the consistent staffing compliment. With an increase in clients this programs main challenge is the lack of resources in which to expand their program to adequately meet the client's needs. Currently any group activities are organized utilizing outside partners such as the Katlodeeche First Nation. Accessing space in the Community increases rental fees. Our staff, have created a number of partnerships with new programs in the Northwest Territories and have been a lead

mentoring these newer programs. This program has also developed positive community partnerships

Financial Conditions

The financial health of the Authority is in critical condition as the deficit continues to grow and the cash flow continues to decline. The accumulated adjusted deficit can mainly be attributed to staffing costs, which include wages, compensation and locum fees, and account for just over 81% of our spending. Relocation, responsibility pay, maternity/paternity, severance, overtime and standby costs are not included in the core funding. These unfunded items of the collective agreement totalled over $1,5M. Further there are non-budget items such as sick, special, education and discretionary totalling in excess of $1,2M

With cash of $392,891 and current liabilities of $3,144,435 it is evident that the liquidity of the Authority is a concern. There is always a constant struggle in the last quarter to ensure bills are paid and payroll is met. In addition to the above mentioned liabilities, there are disputed contributions repayable to the GNWT in the amount of $2,603,904, which have not been repaid due to cash flow.

The financial statements identify a surplus from operations in the year of $2,521,773. 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 $61,595.

	2019 Budget	2019 Actual	2018 Actual
Operating Surplus (Deficit)	(2,101,531)	**2,521,773**	3,046,386
Unfunded items			
(Increase) Decrease in post-employment benefits, Note 12	-	**(2,663,000)**	(2,957,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	**79,632**	(142,213)
Adjusted operating surplus (deficit) before the undernoted	(2,101,531)	**(61,595)**	(52,827)
Tangible Capital Assets - Rent Expense, Note 15	-	**(2,027,428)**	(1,919,038)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	**2,027,428**	1,919,038
Adjusted operating surplus (deficit) for the year	$ (2,101,531)	$ **(61,595)**	$ (52,827)

Summary and Outlook

The 2018-2019 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, HRHSSA Senior Management is keenly aware of the importance of open and effective communication practices across the organization and to the

public. HRHSSA leadership established a communication strategy to assist in the improvement of direct 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.

With the recent development of 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.

Erin Griffiths, Chief Executive Officer
July 5, 2019

Hay River Health & Social Services Authority I Administration des services de santé et des services sociaux de Hay River
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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 (CPSAS) as well as the Financial Administration Manual (FAM) of the Government of the Northwest Territories.

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of 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 as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority's Public Administrator. 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 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 5/19
Date

ASHTON
Chartered Accountants
Business Advisors

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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 (Authority) which comprise the statement of financial position as at March 31, 2019, and 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, 2019 and the results of its operations and its 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, 2019, 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:

- 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.

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 Accountants
Business Advisors

Hay River, NT
July 5, 2019

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Financial Position — Statement I

March 31, 2019

	2019	*2018
Financial Assets		
Cash and cash equivalents, Note 4	$ 392,891	$ 1,468,825
Accounts receivable, Note 7	1,284,947	511,509
Due from Government of Canada, Note 10	53,457	521
Trust assets, Note 14	84,486	76,391
Pensions asset, Note 12	15,127,000	12,464,000
Total Financial Assets	$ 16,942,781	$ 14,521,246
Liabilities		
Accounts payable and accrued liabilities, Note 9	1,159,884	1,079,074
Employee and payroll-related liabilities, Note 9	1,900,861	1,736,295
Due to Government of Canada, Note 10	-	590
Contributions repayable, Note 26	2,603,904	2,354,505
Employee future benefits and compensated absences, Note 13	1,723,136	1,643,504
Accountable capital advance, GNWT, Note 28	5,829	5,829
Deferred revenue, Note 25	56,633	797,633
Trust liabilities, Note 14	83,690	75,051
Total Liabilities	7,533,937	7,692,481
Net Financial Assets (Debt)	$ 9,408,844	$ 6,828,765
Non-Financial Assets		
Inventory held for use, Note 8	$ 217,260	$ 204,014
Prepaid expenses and deposits, Note 27	200,562	272,114
Total Non-Financial Assets	$ 417,822	$ 476,128
Accumulated Surplus (Deficit), Note 29	$ 9,826,666	$ 7,304,893

* 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, 2019

	2019 Budget	**2019 Actual**	2018 Actual
Revenue			
Contributions from GNWT, Schedule A	$ 30,765,529	$ **31,540,581**	$ 31,778,022
Recoveries	416,448	**880,545**	942,874
Sales - Patient Revenues	890,097	**825,923**	765,354
Contributions from Other Sources	-	**-**	-
Other Income	-	**2,559**	51,268
Interest	43,000	**65,145**	50,056
Total Revenue	32,115,074	**33,314,753**	33,587,574
Expenses			
Administrative and Support Services	9,347,266	**7,325,876**	7,068,764
Nursing Inpatients Services	5,696,606	**4,883,897**	5,965,794
Ambulatory Care Services	5,324,061	**5,349,141**	4,937,396
Diagnostic and Therapeutic Services	2,848,996	**2,680,434**	2,933,995
Community Health Programs	2,398,558	**2,189,701**	1,945,097
Community Social Programs	8,601,118	**8,363,931**	7,690,142
Supplementary Health Programs	-	**-**	-
Undistributed	-	**-**	-
Total Expenses, Note 24	34,216,605	**30,792,980**	30,541,188
Operating Surplus (Deficit)	(2,101,531)	**2,521,773**	3,046,386
Unfunded items			
(Increase) Decrease in post-employment benefits, Note 12	-	**(2,663,000)**	(2,957,000)
(Increase) Decrease in employee future benefits and compensated absences, Note 13	-	**79,632**	(142,213)
Adjusted operating surplus (deficit) before the undernoted	(2,101,531)	**(61,595)**	(52,827)
Tangible Capital Assets - Rent Expense, Note 15	-	**(2,027,428)**	(1,919,038)
Grant-In-Kind - GNWT assets provided at no cost, Note 15	-	**2,027,428**	1,919,038
Adjusted operating surplus (deficit) for the year	$ (2,101,531)	$ **(61,595)**	$ (52,827)
Opening Accumulated Surplus (Deficit)		$ **7,304,893**	$ 4,199,068
Prior year restricted physician funds allocated		**-**	59,439
Operating Surplus (Deficit)		**2,521,773**	3,046,386
Closing Accumulated Surplus (Deficit)		$ **9,826,666**	$ 7,304,893

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Changes in Net Financial Resources — Statement III

For the year ended March 31, 2019

		2019		2018
Annual surplus (deficit)	$	**2,521,773**	$	3,046,386
Adjustments				
Prior year funding received		**-**		59,439
(Increase) decrease in inventory		**(13,246)**		21,999
(Increase) decrease in prepaids and deposits		**71,552**		(63,147)
Increase (Decrease) in net financial assets		**2,580,079**		3,064,677
Net financial resources, beginning of year		**6,828,765**		3,764,088
Net financial resources, end of year	$	**9,408,844**	$	6,828,765

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Cash Flow — Statement IV

For the year ended March 31, 2019

	2019	2018
Operating Activities		
Annual surplus (deficit)	$ **2,521,773**	$ 3,046,386
Add prior year restricted physician funds allocated		59,439
Items not affecting cash:		
(Increase) Decrease in pensions, Note 12	**(2,663,000)**	(2,957,000)
	(141,227)	148,825
Changes in non-cash assets and liabilities		
Decrease (increase) in due to/from the Government of Canada	**(53,526)**	1,729
Decrease (increase) in accounts receivable	**(773,438)**	(187,050)
Decrease (increase) in inventory	**(13,246)**	21,999
Decrease (increase) in prepaids	**71,552**	(63,147)
Increase (decrease) in accounts payable and payroll liabilities	**245,376**	(306,849)
Increase (decrease) in contributions repayable	**249,399**	347,071
Increase in employee future benefits	**79,632**	(142,213)
Increase (decrease) in capital advances	**-**	-
Increase (decrease) in deferred revenues	**(741,000)**	741,000
Increase (decrease) in trust liability	**8,639**	(25,528)
	(926,612)	387,012
Cash from operations	**(1,067,839)**	535,837
Financing Activities		
	-	-
Investing Activities		
	-	-
Change in cash during the year	**(1,067,839)**	535,837
Cash, beginning of year	**1,545,216**	1,009,379
Cash, end of year	$ **477,377**	$ 1,545,216
Cash consists of :		
Cash and cash equivalents, Note 4	$ **392,891**	$ 1,468,825
Trust asset, Note 14	**84,486**	76,391
	$ **477,377**	$ 1,545,216

Note 1. **Hay River Health & Social Services Authority**

The Hay River Health & Social Services Authority (the "Authority") was incorporated under the Societies Act, and operates under the Hospital Insurance and Health and Social Services Act of the Northwest Territories. The Authority was established on November 1, 2003 to manage, control and operate the public health facilities and services assigned to it by the Government of the Northwest Territories Department of Health and Social Services.

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

Note 2. **Significant Accounting Policies**

Basis of Presentation

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Canadian Public Sector Accounting Board and by the directive of the Government of the Northwest Territories - Department of Health and Social Services (DHSS). Significant aspects of the accounting policies adopted by the Authority are as follows:

The financial statements do not include the assets, liabilities and activities of any organizations that are related to the Authority, such as the Hay River Health and Wellness Foundation.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recorded as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Fund Accounting

The accounts of the Authority are maintained in accordance with fund accounting procedures. The operations of the Authority are segregated for the purpose of carrying on specific activities or attaining certain objectives. Funds established by the Authority are as follows:

Operating Fund - activities associated with the Authority's daily operations.

Employee Leave and Termination Liability Fund - reflecting activities in employee leave and termination benefits combined with any amounts transferred from operations to fund these liabilities. This fund represents liabilities which will be funded in the year they become due through regular annual allocations from the Government of the Northwest Territories (GNWT).

Revenue and Expenditure Recognition

The basis of accounting followed in the financial statement presentation includes revenues recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimating is impracticable.

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangement, the Authority is responsible for the net deficit from operations and is allowed to retain surpluses from core programs. Any capital funding not spent may be retained for future capital purchases. These policies do not apply to contribution agreements, where an accounting of and return of surpluses may be required

Other revenue is recognized when the service is performed or the goods are provided.

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

Revenue and Expenditure Recognition (continued)

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

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

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

Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and balances within banks, net of outstanding cheques, and are not subject to significant risk of changes in value.

Reserves

The DHSS policy requires the Authority to establish the following reserves:

Surplus Reserve - reflects funds maintained in a reserve according to the DHSS Operations and Maintenance Surplus Retention Policy.

Employee Future Benefit Reserve - the funds received in advance for the severance liability of employees who were transferred to the Authority from the GNWT. These liabilities are reduced as employees are paid out upon termination of employment with the Authority.

Cash Reserve - established for the purpose of assisting with any future short-term cash deficiency. Withdrawals from the reserve will be made only when an insufficient cash balance exists to make necessary payments. Appropriations to this reserve will be done to maintain the $500,000 balance as approved by the GNWT.

The Authority does not have sufficient funds to cover these reserves.

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.

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 and parts, pharmaceuticals and office supplies, which are distributed to clients at no or nominal charges. Inventory is recorded at the lower of cost and replacement value. Cost is determined on a first-in, first-out basis using average cost.

Employee Future Benefits and Compensated Absences

Under the terms and conditions of employment, Health Authority employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced and reason for termination. Benefit entitlements are paid upon resignation, retirement or death of an employee. The expected cost of providing these benefits is recognized as employees render services. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences include sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides services, whereas parental and maternity leave are event driven and are recognized when the leave commences.

For benefits earned prior to September 1, 1996 but still outstanding, no accrual is made for contingent revenue as described in Note 13. The 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.

The Authority classifies its financial instruments at cost or amortized cost.

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

Financial Instruments (continued)

The Authority's accounting policy for this financial instrument category is as follows:

This category includes cash, trust assets, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, capital advances, and trust liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Financial instruments with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized costs and tested for impairment at each reporting date. Any impairments of the financial assets is charged to income in the period in which the impairment is determined. In the event that a previously impaired asset decreases and the decrease can be related to an event that occurred after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement.

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

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

Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Non-Financial Assets

Non-financial assets are accounted for as assets by the Authority because they can be used to provide government services in futures periods. These assets are not available to discharge existing liabilities. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated change in net financial assets (debt) for the year.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Segmented Information

The Hay River Health & Social Services Authority segments its operations for financial reporting purposes based upon areas of service type. This information is provided on the statement of operations.

Note 3. **Future Accounting Changes**

Revenue - Section PS 3400

PSAB has implemented changes to Section PS 3400, Revenues; that outlines the recognition of revenues that arise from transactions that have performance obligations. Specifically, that revenues should not be recognized as revenues until such time as any performance obligation is satisfied.
The impact of the transition to these changes has not yet been determined.

Note 4. **Cash and Cash Equivalents**

	2019	2018
Cash	$ **392,891**	$ 1,468,825

Note 5. **Special Purpose Funds - Nil Report**

Note 6. **Portfolio Investments - Nil Report**

Note 7. **Accounts Receivable**

	Receivables 2019	AFDA 2019	**Net 2019**	Net 2018
Due from GNWT - HSS	$ 989,270	$ -	$ **989,270**	$ 342,165
Due from GNWT - Finance	5,163	-	**5,163**	13,659
Due from GNWT - Infrastructure	5,275	-	**5,275**	-
Due from GNWT - Justice	978	-	**978**	-
Due from GNWT - Human Resources	-	-	**-**	14,061
Due from Government of Nunavut	-	-	**-**	-
Due from WSCC	63,939	-	**63,939**	28,517
Due from NTHSSA	33,752	-	**33,752**	17,550
Hay River Hospital & Wellness Foundation	-	-	**-**	13,975
GST rebate receivable	18,042	-	**18,042**	8,548
General accounts receivable	238,892	(70,364)	**168,528**	73,034
	$ 1,355,311	$ (70,364)	$ **1,284,947**	$ 511,509

Note 8. **Inventories**

	2019	2018
General	$ **17,406**	$ 15,130
Medical and surgical	**168,699**	157,711
Laboratory	**10,456**	10,406
Pharmaceutical	**20,699**	20,767
	$ **217,260**	$ 204,014

Inventories are held for consumption in the process of providing services and are distributed at no charge or for a nominal fee.

Note 9. **Accounts Payable and Accrued Liabilities**

		2019		2018
Due to GNWT - HSS	$	**30,784**	$	29,627
Due to GNWT - Finance		**33,056**		33,746
Due to GNWT - Justice		**-**		100
Due to GNWT - Infrastructure		**5,768**		-
Due to NTHSSA		**92,311**		29,108
Due to Government of Nunavut		**-**		-
Due to WSCC		**-**		-
Hay River Hospital & Wellness Foundation		**623**		726
Accounts payable and accrued liabilities		**930,544**		921,794
Unspent donations		**18,156**		18,156
Special purpose fund liabilities		**48,642**		45,817
		1,159,884		1,079,074
Payroll liabilities		**1,900,861**		1,736,295
	$	**3,060,745**	$	2,815,369

Note 10. **Due From and To the Government of Canada**

		2019		2018
Receivables				
NIHB administration support funding	$	**50,000**	$	-
Miscellaneous receivable		**3,457**		521
	$	**53,457**	$	521
Payables				
Advances for projects on behalf of the Government of Canada	$	**-**	$	-
Miscellaneous payables		**-**		590
	$	**-**	$	590

Note 11. **Capital Lease Obligations - Nil Report**

Note 12. **Pensions**

The Authority sponsors a contributory defined benefit pension plan for substantially all of its employees called "Retirement Plan for Employees of the Hay River Health and Social Services Authority". The net value of the plan asset and liability is recorded on the statement of financial position based on the funded status of the plan on a going concern valuation performed by an independent actuary. An actuary valuation is done on an annual basis 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 1.68 (prior to January 1, 2019 was 1.79) times the employee portion and provides additional funding when the present value of the obligation under the solvency method exceeds the accumulated assets available to fund the member's benefit entitlements in the plan.

Note 12. **Pensions (continued)**

		2019		2018
Accrued benefit obligation	$	**42,022,000**	$	42,725,000
Market-related value of pension fund assets		**60,691,000**		58,385,000
		(18,669,000)		(15,660,000)
Unamortized actuarial gains / (losses)		**3,542,000**		3,196,000
Pension liability (accrued asset)	$	**(15,127,000)**	$	(12,464,000)

The pension liability (asset) includes the following components:

		2019		2018
Pension liability (accrued asset) - beginning of year	$	**(12,464,000)**	$	(9,507,000)
Cash items:				
Member contributions		**(1,122,000)**		(1,107,000)
Employer contributions		**(3,027,000)**		(3,340,000)
Benefit payments		**(4,596,000)**		(2,873,000)
Drawdown from plan assets		**4,596,000**		2,873,000
Net change to pension liability from cash items		**(4,149,000)**		(4,447,000)
Accrual items:				
Current period benefit cost		**2,684,000**		2,673,000
Amortization of actuarial gains/losses		**(352,000)**		(418,000)
Interest on average accrued benefit obligation		**2,149,000**		2,142,000
Expected earnings on average pension fund assets		**(2,995,000)**		(2,907,000)
		1,486,000		1,490,000
Pension liability (asset) - end of year	$	**(15,127,000)**	$	(12,464,000)

The pension expense (revenue) is included in the statement of operations as a component of compensation for Corporate HR.

		2019		2018
Pension expense (revenue)	$	**(2,663,000)**	$	(2,957,000)
Expected earnings on plan assets		**6.05%**		5.82%
Actual earnings on plan assets		**6.50%**		14.60%
Difference between actual and expected		**0.45%**		8.78%

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:

	2019	2018
Date of actuarial valuation	**1-Jan-19**	1-Jan-18
Date of audited financial statements	**31-Mar-19**	31-Mar-18
Date of next valuation	**1-Jan-20**	1-Jan-19
Discount rate	**5.40%**	5.15%
Interest rate on pension fund assets	**5.15%**	5.50%
Interest rate on accrued benefit obligation	**5.15%**	5.50%
Plan administration expenses per annum	**400,000**	450,000
Future inflation	**2.00%**	2.00%
Future compensation increases	**2.50%**	2.50%
Expected average remaining service life (years)	**7.4**	7.2

The asset was valued using an adjusted market value method, which spreads out any variance between the return on investment accrued in the year and the expected return on the investments using the going concern rates as outlined above. Inclusion rates for these variances are 33% of the prior year, 67% of the variance from 2 years prior and 100% of all variances beyond. This assumption allows for a smoothed value of the asset.

The employer funding targets, under the going concern method, is valued using 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, 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 $57,763 per month.

Plan amendments:

As at the valuation date, there have been no amendments to the plan since the date of the previous valuation, where the Authority revised the pension plan provisions as follows:

a) To cease offering portability at certain ages - The plan will be amended with effect from January 1, 2019, to cease offering portability for members who are eligible for immediate pension.

Note 13. **Employee Future Benefits and Compensated Absences**

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

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

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

Valuation Results

The actuarial valuation was completed as at March 31, 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 March 31, 2019. 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	**2019**	2018
Change in Obligation				
Accrued benefit obligation, opening	$ (2,245,390)	$ (172,511)	$ **(2,417,901)**	(2,876,140)
Current period benefit costs	(184,405)	(13,969)	**(198,374)**	(217,859)
Interest accrued	(85,649)	(6,562)	**(92,211)**	(93,544)
Benefit payments	93,931	236,168	**330,099**	594,635
Plan amendments	-	-	**-**	-
Actuarial gains (losses)	(130,474)	(235,388)	**(365,862)**	175,007
Accrued benefit obligation, closing	(2,551,987)	(192,262)	**(2,744,249)**	(2,417,901)
Unamortized net actuarial (gain) loss	433,131	587,982	**1,021,113**	774,397
Accrued benefit (liability) asset	(2,118,856)	395,720	**(1,723,136)**	(1,643,504)
Other employee future benefits	-	-	**-**	-
Other compensated absences	-	-	**-**	-
Total employee future benefits and compensated absences	$ (2,118,856)	$ 395,720	$ **(1,723,136)**	$ (1,643,504)
Benefits Expense				
Current period benefit cost	184,405	13,969	**198,374**	217,859
Interest accrued	85,649	6,562	**92,211**	93,544
Plan amendments	-	-	**-**	-
Amortization of actuarial (gain) loss	59,193	59,953	**119,146**	141,022
	$ 329,247	$ 80,484	$ **409,731**	$ 452,425

Note 13. **Employee Future Benefits and Compensated Absences (continued)**

The discount rate used to determine the accrued benefit obligation is an average of 3.20%, down from the prior years rate of 3.80% . The expected payments during the next five fiscal years are:

	Severance and Removal	Compensated Absences	**Total**
2019	$ 589,605	$ 44,729	$ **634,334**
2020	422,457	34,685	**457,142**
2021	323,893	24,767	**348,660**
2022	257,879	18,508	**276,387**
2023	225,205	15,524	**240,729**
	$ **1,819,039**	$ **138,213**	$ **1,957,252**

Contingent Revenue

Revenue of $66,911 representing accrued severance and removal for employees on August 31, 1996 and which, in management's view, pursuant to the terms of the transfer agreement on that date between the GNWT and the Town of Hay River, is owed to the Authority by GNWT, has not been recorded in these financial statements. Recognition of this amount is contingent upon GNWT agreeing to payment terms.

Note 14. **Trust Assets and Liabilities**

The amount held in patient trust assets are funds held on behalf of the patients in residential care. The funds, effective May 2018 were retained in a separate bank account of the Authority, but do not belong to the Authority as they are restricted for those patients. The amount in the patient trust liability is equivalent to the balance owed to the residential care patients. The discrepancy between the trust asset and liability are for amounts deposited into the bank account in error.

	2019	2018
Patient Trust Asset	$ **84,486**	$ 76,391
Patient Trust Liability	$ **83,690**	$ 75,051

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 $2,027,428 ($1,919,038 in 2018) based on the Government's amortization expense for these assets.

Note 16. **Contractual Obligations**

The Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2019.

Expires in fiscal year	Residential 2021	Equipment 2026	Operational 2021	Total
2020	$ 160,200	$ 238,195	$ 101,374	$ 499,769
2021	160,200	184,048	41,213	385,461
2022	-	122,455	-	122,455
2023	-	122,455	-	122,455
2024	-	76,455	-	76,455
Subsequent	-	129,974	-	129,974
	$ 320,400	$ 873,582	$ 142,587	$ 1,336,569

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.

Note 18. **Budget**

The budget figures are the opening budgets that were approved by the Authority's Public Administrator and the GNWT Department of Health and Social Services. The budget figures are not audited and are intended for information purposes only.

Note 19. **Economic Dependence**

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

Note 20. **Subsequent Events**

The collective agreement of the union employees of the Authority expired on March 31, 2016. The Authority is currently in bargaining with the union, but a final agreement has not yet been signed. There will likely be a liability generated with the signing of the agreement for back-pay owed to employees, but an amount can not be determined at this time, so no liability is reflected in these financial statements.

Note 21. **Comparative Figures**

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

Note 22. **Related Party Transactions**

The Authority is related in terms of common ownership to all GNWT created departments and public agencies. The Authority enters into transactions with these entities in the normal course of operations. The Authority is provided various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, internal audit services provided by the Department of Finance and repairs, utilities and facility and equipment rental provided by the Department of Infrastructure.

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 2019	Allowance for Doubtful Accounts 2019	**Net 2019**	Net 2018
Due from related parties				
Accounts Receivable				
GNWT, Note 7				
Department of HSS	$ 989,270	$ -	$ **989,270**	$ 342,165
Department of Finance	5,163	-	**5,163**	13,659
Department of Infrastructure	5,275	-	**5,275**	-
Department of Justice	978	-	**978**	-
Department of Human Resources	-	-	**-**	14,061
	1,000,686	-	**1,000,686**	369,885
NTHSSA - HQ, Note 7	31,817	-	**31,817**	11,807
Fort Smith Health Centre	-	-	**-**	68
Stanton Territorial Health Region	-	-	**-**	-
DehCho Region	-	-	**-**	3,040
Yellowknife/Fort Resolution Region	1,935	-	**1,935**	2,635
	$ 1,034,438	$ -	$ **1,034,438**	$ 387,435

	2019	2018
Due to related parties		
Accounts Payable:		
GNWT, Note 9		
Department of HSS	$ **30,783**	$ 29,627
Department of Finance	**33,057**	33,746
Department of Justice	**-**	100
Department of Infrastructure	**5,768**	-
	69,608	63,473
NTHSSA, Note 9		
Yellowknife Region	**16,675**	17,442
DehCho Region	**519**	-
Fort Smith Region	**-**	1,103
Stanton Territorial Health Region	**75,117**	10,563
	$ **161,919**	$ 92,581
Contributions repayable, GNWT-HSSA, Note 26	**2,603,207**	2,353,808
Accountable capital advances, GNWT-HSSA, Note 28	**5,829**	5,829
Deferred revenues, GNWT-HSSA, Note 25	**56,633**	797,633
	$ **2,827,588**	$ 3,249,851

Note 22. **Related Party Transactions (continued)**

		2019		2018
Revenues				
GNWT				
Department of Health & Social Services	$	**31,700,188**	$	32,205,053
Department of Education, Culture & Employment		**-**		-
Department of Finance		**5,163**		27,929
Department of Human Resources		**4,313**		13,143
Department of Infrastructure		**10,832**		-
		31,720,496		32,246,125
NTHSSA - HQ		**104,792**		30,370
DehCho HSSA		**19,836**		10,677
Fort Smith Health Centre		**130**		611
Sahtu HSSA		**-**		-
Beaufort-Delta HSSA		**-**		-
Stanton Territorial Health Authority		**976**		3,436
Yellowknife HSSA		**107,807**		7,472
Tlicho Community Services Agency (Tlicho)		**-**		3,203
NWT Housing Corp.		**160**		160
	$	**31,954,197**	$	32,302,054

		2019		2018
Expenses				
GNWT				
Department of Health & Social Services	$	**135**	$	12,517
Department of Human Resources		**-**		-
Department of Infrastructure		**8,555**		2,709
Department of Justice		**-**		410
		8,690		15,636
NTHSSA				
Stanton Territorial Health Authority		**230,677**		196,507
Yellowknife HSSA		**148,393**		76,078
Beaufort Delta HSSA		**-**		4,484
Fort Smith HSSA		**923**		1,103
Aurora College		**-**		150
	$	**388,683**	$	293,958

Related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Note 23. **Financial Instruments**

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

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 $1,731,295 (2018 - $1,980,855)

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, 2019, one customer in accounts receivable accounts for 75% (2018 - 51%) 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 $16,942,781 including the $15,127,000 pension asset; financial liabilities are $7,533,937. The authority has disclosed future financial liabilities and commitments in Notes 13, 16 and 17.

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

Note 24. **Expenses by Object**

	2019 Budget	**2019 Actual**	2018 Actual
Compensation	$ 27,499,042	$ **23,853,522**	$ 23,140,018
Locums	1,000,000	**1,253,932**	1,716,510
Medical supplies	1,110,271	**1,094,141**	1,034,410
Referred out services	667,600	**817,720**	1,135,849
Purchases service personnel	605,500	**600,157**	644,716
Equipment maintenance	401,929	**441,915**	455,338
Travel assistance	362,000	**349,025**	402,015
Foster care	382,000	**376,574**	243,756
Phone and postage	271,703	**290,578**	234,326
Rent	239,559	**268,250**	228,312
Professional fees	248,606	**327,184**	219,901
Locum removal	278,736	**148,310**	193,669
Office supplies	162,430	**158,813**	190,076
Travel	175,606	**173,346**	169,231
Minor equipment	288,592	**170,995**	150,032
Training	188,000	**159,647**	137,199
Software licensing	162,869	**93,071**	103,522
Honorariums	54,500	**102,989**	52,608
Garbage	30,250	**36,602**	30,925
Memberships	45,412	**33,099**	23,302
Advertising	34,450	**39,799**	23,242
Bank charges	7,550	**9,919**	7,634
Bad debt	-	**(6,608)**	4,628
	$ 34,216,605	**$ 30,792,980**	$ 30,541,219

Note 25. **Deferred Revenue**

Deferred revenue represents funds that have been received for specific programs but remain unspent at March 31, 2019 as follows:

	2019	2018
Government of the Northwest Territories		
Department of Health and Social Services		
Professional Development Initiative	$ **56,633**	$ 56,633
2018/2019 Core funding received in advance	**-**	741,000
	$ **56,633**	$ 797,633

Note 26. **Contributions Repayable**

Contributions repayable represents funds that have been received for specific programs and are required to be repaid to the contributor as of March 31, 2019:

		2019		2018
Government of the Northwest Territories				
Department of Health and Social Services				
Family Support Program 11/12	$	**-**	$	9,000
Homecare Enhancement 11/12		**-**		10,957
Core Physician Services Funding 11/12		**652,027**		652,027
Core Physician Services Funding 12/13		**532,335**		532,335
Homecare Enhancement 13/14		**297**		297
Grad Placement Program K. Miller 13/14		**8,064**		8,064
Healthy Families/Collective Kitchen unspent funding 14/15		**-**		1,006
Healthy Families/Collective Kitchen unspent funding 15/16		**-**		3,570
Enhanced Homecare unspent funding 16/17		**-**		45,027
Hay River Parenting unspent funding 16/17		**-**		4,871
Renal Dialysis unspent restricted funding 16/17		**-**		125,237
Foster Care unspent restricted funding 16/17		**-**		166,346
Transitional unspent funding 16/17		**448,000**		448,000
Mental Health First Aide 16/17		**-**		479
Mental Health First Aide 17/18		**-**		1,113
Healthy Families/Collective Kitchen unspent funding 17/18		**-**		1,102
Enhanced Homecare unspent funding 17/18		**-**		31,238
Foster Care unspent restricted funding 17/18		**205,705**		205,705
Transitional unspent funding - HH Williams 17/18		**49,314**		49,314
Transitional unspent funding - New Health Center 17/18		**58,120**		58,120
Children Who Witness Violence 17/18 - double payment		**6,250**		-
Healthy Families/Collective Kitchen unspent funding 18/19		**108**		-
Foster care unspent restricted funding 18/19		**12,391**		-
Homecare unspent restricted funding 18/19		**4,459**		-
Transitional unspent funding - New Health Center 18/19		**271,137**		-
Referred Out Services - core funding overpayment 18/19		**355,000**		-
		2,603,207		2,353,808
Hay River Metis Government Council				
Living in Balance unspent funding 16/17		**697**		697
	$	**2,603,904**	$	2,354,505

Note 27. **Prepaid Expenses and Deposits**

		2019		2018
Service and maintenance packages	$	**125,838**	$	140,156
Pension special payments		**57,763**		108,499
Travel		**14,961**		21,459
Deposit		**2,000**		2,000
	$	**200,562**	$	272,114

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.

		2019		2018
Beginning balance	$	**5,829**	$	5,829
Capital purchases paid out of advanced funds		**-**		-
Ending balance	$	**5,829**	$	5,829

Note 29. **Accumulated Surplus (Deficit)**

		2019		2018
Operating fund accumulated surplus (deficit)	$	**11,049,802**	$	8,448,397
Employee leave and termination liability fund		**(1,723,136)**		(1,643,504)
Cash Reserve		**500,000**		500,000
	$	**9,826,666**	$	7,304,893

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Contributions from the GNWT Schedule A

For the year ended March 31, 2019

	2019 Budget	**2019 Actual**	2018 Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core Contribution Department of Health			
Administrative and Support Services	7,167,000	$ **7,813,000**	$ 8,342,000
Nursing Inpatient Services	4,108,000	**4,108,000**	4,268,000
Ambulatory Care	2,626,000	**2,626,000**	2,626,000
Diagnostic and Therapeutic Services	2,869,000	**3,204,000**	2,829,000
Community Health Programs	11,328,000	**11,508,000**	11,295,000
Community Social Programs	1,995,000	**1,995,000**	2,043,000
Supplementary Health Programs	22,000	**22,000**	22,000
	30,115,000	**31,276,000**	31,425,000
Add: additional funding for Renal Dialysis	-	**414,000**	255,000
Add: allocation of other region's physician surplus		**4,911**	-
Less net contributions repayable/deferred	-	**(642,987)**	(271,139)
	30,115,000	**31,051,924**	31,408,861
Other Department of Health and Social Services Contributions			
Home and Community Care (Schedule A-1)	579,110	**433,935**	287,563
Healthy Families	-	**-**	19,735
Collective Kitchens	20,412	**20,304**	19,058
Prenatal/Postnatal Parenting	33,600	**30,292**	18,952
Children Who Witness Abuse	12,500	**-**	12,500
Mental Health First Aid	4,907	**3,596**	1,204
Applied Suicide Intervention Skills Training	-	**530**	2,067
	650,529	**488,657**	361,079
Total Department of Health	30,765,529	**31,540,581**	31,769,940
GNWT Department of Human Resources	-	**-**	8,082
Total Contribution from the GNWT	$ 30,765,529	$ **31,540,581**	$ 31,778,022

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Detailed Contribution Funding and Expenditures Schedule A-1
Home and Community Care
PO-2661am5
For the year ended March 31, 2019

		2019 Actual		2018 Actual
Funding				
Government of the Northwest Territories				
Department of Health and Social Services	$	**514,110**	$	359,010
less funds not yet received		**-**		-
less contributions repayable		**(80,175)**		(71,447)
		433,935		287,563
Expenditures				
Compensation and benefits		**248,478**		241,304
Supplies		**13,535**		12,609
Sundry		**7,978**		2,262
Equipment expense		**100,776**		7,001
Training		**63,892**		24,387
		434,659		287,563
	$	**(724)**	$	-

** Funds in the amount of $251,880 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, 2019

	Leave and Termination Benefits Reserve		Cash Reserve		Total Reserves	
	2019	2018	**2019**	2018	**2019**	2018
Balance, beginning of the year	$ **(1,643,504)**	$ (1,785,717)	$ **500,000**	$ 500,000	$ **(1,143,504)**	$ (1,285,717)
Change to opening balances		-			**-**	-
(Increase) Decrease in employee future benefits and compensated absence	**(79,632)**	142,213	**-**	-	**(79,632)**	142,213
Transfers between reserves	**-**	-	**-**	-	**-**	-
Balance, end of year	$ **(1,723,136)**	$ (1,643,504)	$ **500,000**	$ 500,000	$ **(1,223,136)**	$ (1,143,504)

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Financial Statements

March 31, 2019

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

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March 31, 2019

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NORTHWEST TERRITORIES
Health and Social Services Authority

Management Discussion and Analysis

Introduction

The Northwest Territories Health and Social Services Authority's (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 2018-2019 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.

2018-2019 marks the second full year of operations of NTHSSA. The Authority continues to identify, monitor and improve its operations with a focus on aligning and contributing to the NWT Health and Social Services System Strategic Plan (System Strategic Plan) vision and goals.

Working collaboratively with the Hay River Health and Social Services Authority, the Tłı̨chǫ 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;

NORTHWEST TERRITORIES
Health and Social Services Authority

- 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 Tłı̨chǫ 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 comprising the NTHSSA has a Regional Wellness Council (RWC) that act as advisory bodies to gather information from communities and residents, provide feedback to the NWT Health and Social Services System and promote activities that support service delivery for the health and well-being of patients, clients, and families.

The 2018-2019 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 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; 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.

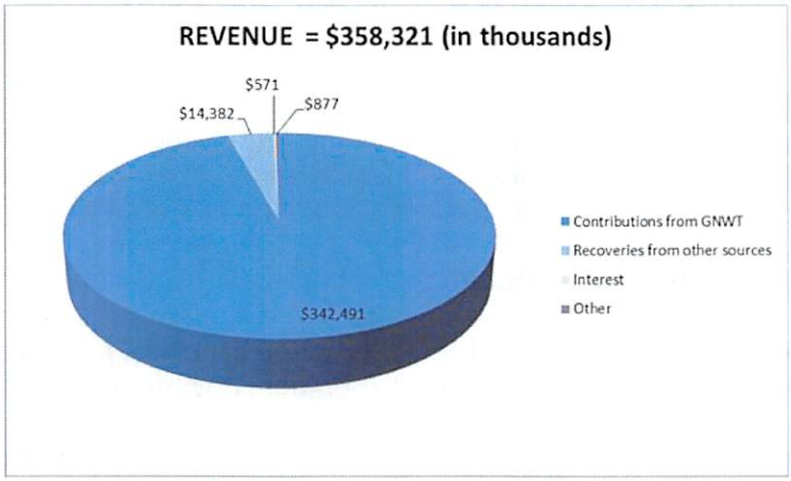
Corporate and Support Services: Informatics and health technology support and leadership; strategy and planning leadership; patient movement operations; communications support.

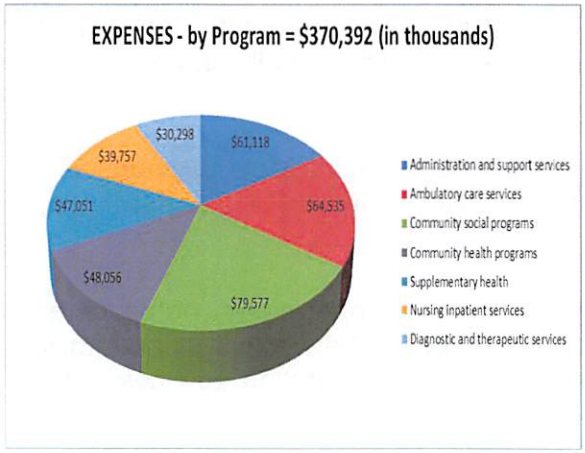
Regional Operations: Primary care; community health clinics operations; home care; mental health and addictions services; health promotion; public health; child and family services; family violence programs; adult support services; rehabilitation services; long term care; facility operations.

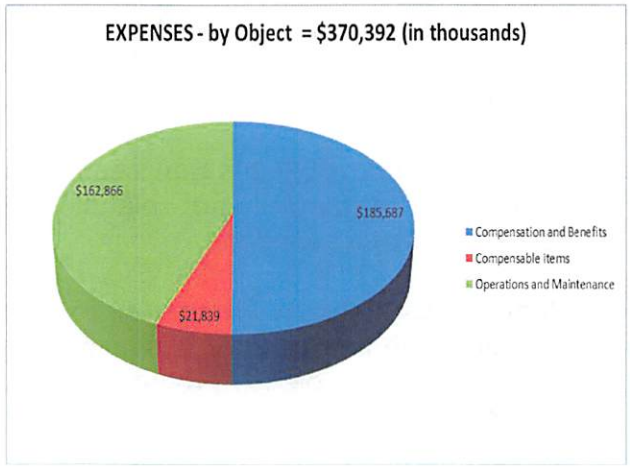
Stanton Territorial Hospital: Acute inpatient services; emergency services, specialty clinics, diagnostic and therapeutic services; rehabilitation services in partnership with regional operations.

Financial Overview

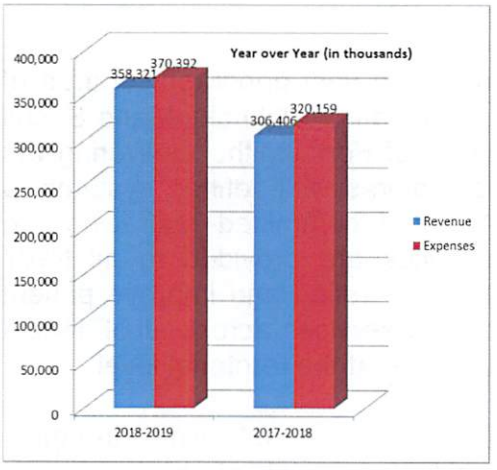
NTHSSA's overall 2018-2019 actual revenue and expenses are summarized in the following charts:

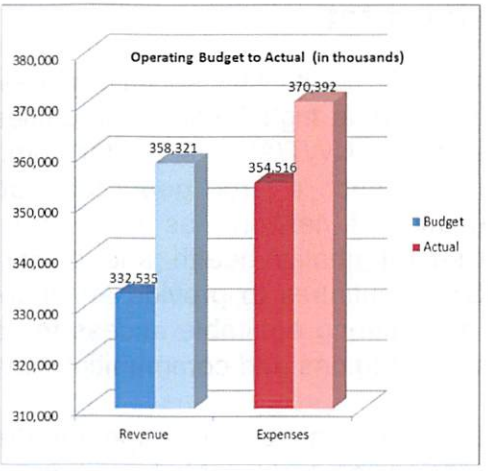






NORTHWEST TERRITORIES
Health and Social Services Authority





Consistent with the results of the 2018-2019 fiscal year, the actual annual revenue was approximately $26 million higher than the initial budget. The initial Authority budget is 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. Actual expenses were approximately $16 million higher than budgeted.

NTHSSA remains committed to meeting its' operational mandate and expected service levels; notwithstanding, significant pressure on fiscal resources that exist within the NTHSSA has resulted in a deficit of $12.1 million for 2018-2019.

Budget Highlights

- Increase in funding for staffing to support service delivery in the Stanton Territorial Hospital.
- Increase in funding for the Southern Placements program.
- Increased funding for Child and Family Services improvement.
- Additional funding for the Norman Wells Health Centre and Long Term Care Centre.
- Reallocated resources to support quality assurance and improvement activities, records management, facility management, and occupational health and safety functions.
- Increase in funding for the Medical Travel program

NORTHWEST TERRITORIES
Health and Social Services Authority

Operating Environment

The NTHSSA provides health and social services across a vast geographical area of the NWT; from the remote high Arctic communities of Paulatuk, Ulukhaktok and Sachs Habour to the southern NWT/Alberta border community of Fort Smith. Delivering the NTHSSA mandate to such a large geographic area requires well-defined systems, a robust logistical support network, as well as a team of committed staff who are dedicated to ensuring quality health and social services are provided to all NWT residents. NTHSSA continues to provide an opportunity to refine and improve patient and client care by ensuring equitable access to care and services across all NTHSSA regions and ensuring regions and communities have a voice at the territorial level.

In the review of the operating landscape for the NTHSSA, the following strengths, weaknesses, opportunities and threats have been identified in the table below:

Strengths	**Weaknesses**
• Capacity to standardize systems and processes with a territorial focus • Pooled access to professional staff and knowledge across six NTHSSA regions • New Facilities such as renewal of Stanton Territorial Hospital and Norman Wells Long-Term Care	• Sustainable Human Resources • Communications • Extensive use of overtime and locums to meet service requirements • Lack of single financial accounting system
Opportunities	**Threats/Risks**
• Accreditation of NTHSSA regions • Scaling quality improvement initiatives across NWT regional operations • Pool resources to expand purchasing power	• Funding deficit • Aging population requiring increased level of care/service • Competitive job market for health care professionals • Vast geographical area of the NWT

Building on Strengths

Organization wide improvements continue to be identified and pursued to ensure the NTHSSA delivers quality programs and services that are consistent and accessible across all regions. The continued development of NTHSSA leadership, management and quality improvement structures will assist the ability of the NTHSSA to identify areas of focus and mobilize towards quality improvement initiatives.

The NTHSSA continues to develop and improve protocols and capacity that facilitate employees' ability to provide services across NTHSSA regions when necessary or to back-fill short term vacancies, enhancing the quality of care and services delivered. Trained and knowledgeable staff are willing to share information and work in locations where temporary short-term assistance is required.

The First Patient Day for the new Stanton Territorial Hospital was May 26, 2019, an official opening ceremony was held on July 12, 2019. This new facility will better position the NTHSSA to attract and develop organizational talent improving the Authority's ability to support and sustain quality care.

Addressing Weaknesses

The NTHSSA will leverage the GNWT programs that support the NTHSSA's commitment to improving the ability to recruit, retain and develop a local workforce across the NWT.

NTHSSA leadership is acutely aware of the continuing need to nurture and cultivate open and effective communication practices across the organization and to the public at large. In this regard, NTHSSA leadership is focused on the continuing enhancement of both internal and external communication protocols which include the development of the internal staff NTHSSA website that enables direct communications to all staff, across all facilities and regions.

NTHSSA leadership remains cognizant of the staffing levels that are currently required to meet service level demands and the resultant fiscal pressures. NTHSSA leadership is reviewing core service requirements, current position allocations and quality improvements with the goal of implementing changes that would maintain or improve the level of care and service delivery while effectively managing and minimizing additional overtime and travel requirements.

Capturing Opportunities

In 2017, the NTHSSA went through a preliminary accreditation process with Accreditation Canada, including regions not previously accredited. This process has provided the NTHSSA with the foundation to work through the full Accreditation Canada survey which will occur in 2019. The accreditation process will underpin improved quality and safety of programs and services.

The NTHSSA has identified many areas where pooled resources can increase our capacity to deliver effective services. Pooled resources in the financial areas are currently being explored to provide the NTHSSA with additional vendors and improved pricing.

Mitigating Risks

The NTHSSA recognizes that providing culturally appropriate care is necessary to improve better health outcomes. The NTHSSA is currently exploring options to address and improve primary care across the NWT that can become more culturally safe and will decrease the demand on the existing system. The NTHSSA is collaborating with HSS system partners and stakeholders to guide this work.

NTHSSA is committed to delivering the operational mandate in a manner respectful of the fiscal environment of the GNWT. The newly established NTHSSA continues to provide opportunities to realign services and care across the five regions and the Territorial 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.

Financial Condition

As at March 31, 2019 NTHSSA incurred an operating deficit of $12.1 million, which was $9.9 million less than the budgeted operating deficit of $22.0 million. This increased NTHSSA's accumulated deficit to $100.9 million. For a detailed review of NTHSSA's financial condition, refer to the Statement of Financial Position and Statement of Operations and Accumulated Deficit.

	2018-2019 Actual	2017-2018 Actual
Accumulated (deficit) closing	(100,862,000)	(88,791,000)
Accumulated (deficit) opening	(88,791,000)	(76,123,000)
Annual deficit	(12,071,000)	(12,668,000)

Recovery of prior years' expenses	2,581,000	1,619,000
Employee future benefits reserve	131,000	131,000
Unfunded items - Employee future benefit liability	10,116,000	11,525,000
Change in Employee future benefit	(1,409,000)	(1,844,000)

Compensation and benefits represent 56% 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 that are not fully funded by 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, mainframe and software systems, medical equipment and vehicles for use in program and service delivery. These would have cost the Authority an estimated $9,896 (2018 - $8,134) based on the calculated depreciation expense by the Government and have been recognized as rent expense with a corresponding grant-in-kind in the financial statements.

Summary and Outlook

The 2018-2019 fiscal year represented the second full year of operations for the NTHSSA. The focus continues to be on developing the organizational architectural and ensuring core service stabilization while aligning with the HSS System's strategic plan, and the continued provision of quality care and services. 2017-2018 identified areas where efficiencies could be established and the organization has now turned to the implementation and sustainability of these identified areas which can lead to improving care and service delivery.

NTHSSA's future focus will be on building an organization that encourages team and relationship based care that is centered around an engaged workforce. Improving quality within the system is a responsibility held by all NTHSSA staff and is supported

NORTHWEST TERRITORIES
Health and Social Services Authority

by the feedback and direction from listening to our patient/clients and communities. Investment in the enablers for improvement in internal processes and client experience will lead to better health and a better future for all NWT residents.

SUE CULLEN
Chief Executive Officer

September 26, 2019

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 his opinion on the financial statements. He also consider whether the transactions that come to his notice in the course of the audit are, in all significant respects, in accordance with the specified legislation.

The financial statements have been approved by the Northwest Territories Health and Social Services Leadership Council (Leadership Council).

Sue Cullen
Chief Executive Officer

Sheila Silva, CPA, CGA
Chief Financial Officer

26 September 2019

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 2019, 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 2019, 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 Interim Auditor General of Canada

Edmonton, Canada
26 September 2019

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Financial Position (All figures in thousands of dollars)

As at March 31,	2019	2018
Financial Assets		
Cash	$ 13,953	$ 9,248
Accounts receivable (note 5)	11,513	10,422
Due from Government of the Northwest Territories (note 6)	17,275	13,297
Due from Government of Canada	641	424
	43,382	33,391
Liabilities		
Accounts payable and accrued liabilities (note 7)	21,180	17,649
Due to Government of the Northwest Territories (note 6)	117,181	96,877
Due to Government of Canada	28	16
Other employee future benefits and compensated absences (note 9)	10,116	11,525
	148,505	126,067
Net Debt	(105,123)	(92,676)
Non-Financial Assets		
Inventories held for use	3,221	2,735
Prepaid expenses	1,040	1,150
	4,261	3,885
Accumulated Deficit (note 12)	$ (100,862)	$ (88,791)

Contractual Obligations and Contingencies (notes 13 and 14)

Approved on behalf of the Authority

Jim Antoine
Leadership Council
Board Chairperson

Ruby Simba
Leadership Council Member

The accompanying notes are an integral part of these financial statements.

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Operations and Accumulated Deficit (All figures in thousands of dollars)

For the year ended March 31,	2019		2018
	Budget	Actual	Actual
Revenue			
Recoveries from other sources	$ 9,246	$ 11,446	$ 10,622
Recoveries from Nunavut	3,461	2,417	2,288
Contributions from other sources	-	877	926
Interest income	170	571	215
Other income	31	519	122
Total Revenue	12,908	15,830	14,173
Expenses (note 20)			
Community social programs	81,367	79,577	51,717
Ambulatory care services	60,745	64,535	61,497
Administration and support services	61,189	61,118	50,960
Community health programs	44,864	48,056	43,806
Supplementary health programs	44,785	47,051	45,621
Nursing inpatient services	34,161	39,757	38,733
Diagnostic and therapeutic services	27,405	30,298	27,825
Total Expenses	354,516	370,392	320,159
Deficit for the year before Government contributions	(341,608)	(354,562)	(305,986)
Government contributions			
Contributions from Government of the Northwest Territories	286,634	294,546	250,186
Recoveries from Government of the Northwest Territories	19,636	21,284	20,674
Recoveries - non insured health services	13,357	14,184	12,705
Recoveries of prior years' expenses	-	2,581	1,619
Grant-in-kind - Government assets and services provided at no charge (note 11)	-	9,896	8,134
Total Government contributions	319,627	342,491	293,318
Annual deficit	(21,981)	(12,071)	(12,668)
Accumulated deficit, beginning of year	(88,791)	(88,791)	(76,123)
Accumulated deficit, end of year	$ (110,772)	$ (100,862)	$ (88,791)

The accompanying notes are an integral part of these financial statements.

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,	2019 Budget	2019 Actual	2018 Actual
Annual deficit for the year	$ (21,981)	$ (12,071)	$ (12,668)
Adjustments			
Acquisition of inventories held for use	-	(6,461)	(5,959)
Consumption of inventories held for use	-	5,975	6,064
Acquisition of prepaid expenses	-	(1,156)	(1,379)
Use of prepaid expenses	-	1,266	1,416
Change in net debt for the year	(21,981)	(12,447)	(12,526)
Net debt, beginning of year	(92,676)	(92,676)	(80,150)
Net debt, end of year	$ (114,657)	$ (105,123)	$ (92,676)

The accompanying notes are an integral part of these financial statements.

NORTHWEST TERRITORIES HEALTH AND SOCIAL SERVICES AUTHORITY

Statement of Cash Flow	(All figures in thousands of dollars)	
For the year ended March 31,	**2019**	2018
Cash provided by		
Operating transactions		
Operating deficit	**$ (12,071)**	$ (12,668)
Changes in non-cash assets and liabilities:		
Change in accounts receivable	**(1,091)**	(2,631)
Change in accounts payable and accrued liabilities	**3,533**	983
Net change in due to/(from) Government of Northwest Territories	**16,325**	20,834
Change in other employee future benefits and compensated absences	**(1,409)**	(1,844)
Net change in due to/(from) Government of Canada	**(206)**	(107)
Change in inventories held for use	**(486)**	105
Change in prepaid expenses	**110**	37
Cash provided by operating transactions	**4,705**	4,709
Increase in cash	**4,705**	4,709
Cash, beginning of year	**9,248**	4,539
Cash, end of year	**$ 13,953**	$ 9,248

There were no financing, investing or capital transactions during the year.

The accompanying notes are an integral part of these financial statements.

1. Authority and operations

The Authority operates pursuant to the Hospital Insurance and Health and Social Services Administration Act (the Act) of the Northwest Territories and is an agency under Schedule A of the Financial Administration Act (FAA) of the Northwest Territories. Accordingly, the Authority operates in accordance with its Act and regulations, and any directives issued to it by the Minister responsible for the Authority.

The Authority was established to manage, control, and operate the public health facilities and services assigned to it by the Government. When the Authority was created, six of the eight Health and Social Services Authorities (HSSAs) were amalgamated under the Authority. 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 19.

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, 2019 the Authority had an annual deficit of $12,071, accumulated deficit of $100,862, liabilities of $148,505 (including $117,181 due to the Government of the Northwest Territories), and total financial assets of only $43,382.

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 Governments 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 a new health centre and long term care facility opened during the year and new hospital which opened shortly after year end. The going concern basis of accounting has been deemed appropriate for the current financial statements.

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.

The more significant estimate relates to contingencies.

(b) Cash

Cash is comprised of bank account balances, net of outstanding cheques.

2. Basis of presentation and significant accounting policies (continued)

(c) Tangible capital assets

The Government retains ownership of all tangible capital assets (TCA) used by the Authority. The Government's financial statements include these TCAs and as such the Authority has no TCAs recognized in its financial statements.

The Authority has recognized grant-in-kind revenue for the use of these TCAs provided free of charge by the Government. In addition, the Authority has recognized a corresponding rent expense for these TCAs based on the Government's amortization which is the Government's cost. This rent expense has been allocated to the Authority's programs in the statement of operations and accumulated deficit.

(d) Inventories held for use

Inventories consist of pharmaceuticals and general inventories such as parts for various equipment, medical surgical supplies, other medical supplies and office supplies. Inventories held for use are valued at the lower of cost and replacement value.

(e) Other employee future benefits and compensated absences

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

(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.

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 11.

(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, other than inter-entity transactions, are recorded at the exchange amount. Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis and are measured at the carrying amount, except for services provided by the Government without charge. Services provided without charge include rent, building utilities, repairs and maintenance, medical travel, contracted services, legal, human resources and other services. These services are provided by the Government's central agency and with the exception of rent described in Note 2 (c) 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 surplus. Pursuant to the FAA, these recoveries cannot be used to increase the amount appropriated for current year expenses.

3. Future accounting changes

Public Sector Accounting Board (PSAB) issued new standards on Asset Retirement Obligations (PS 3280) and Revenue (PS 3400). These new standards have an effective date of April 1, 2021, and April 1, 2022 respectively.

The Authority does not expect these standards to have a significant impact on its financial statements.

4. 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 $408 (2018 - $413). Funds established by the Authority include a special project reserve $277 (2018 - $265) which are donations made to the Authority under non-contractual conditions; a funded employee future benefits reserve $131 (2018 - $131) for funds received for the severance liability of employees who were transferred to the Authority from the Government; and an internally restricted fund $17, (2018 - $17) for monies transferred to the Authority when the Beaufort Delta Hospital Foundation became inactive.

5. Accounts receivable

The Authority administers the Government's Medical travel program for residents of the Northwest Territories and non-residents of the Northwest Territories accessing the medical travel program are invoiced accordingly. These invoices are included in receivables at March 31. Interest is not charged on outstanding amounts receivable. All other payments from account receivable customers of the Authority are expected within 30 days.

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2019	Net 2018
Trade receivables	$ 10,544	$ (4,737)	$ 5,807	$ 5,877
Government of Nunavut	4,865	(77)	4,788	3,633
Due from WSCC	745	(66)	679	700
Due from related parties (note 15)	243	(4)	239	212
Total accounts receivable	$ 16,397	$ (4,884)	$ 11,513	$ 10,422

6. 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	Net 2019	Net 2018
Health and Social Services	$ 15,391	$ (1,085)	$ 14,306	$ 11,148
Finance	2,971	(77)	2,894	2,102
Justice	75	(10)	65	21
Municipal and Community Affairs	-	-	-	14
Education, Culture and Employment	16	(6)	10	10
Infrastructure	-	-	-	2
Total due from Government of the Northwest Territories	$ 18,453	$ (1,178)	$ 17,275	$ 13,297

Due to Government of the Northwest Territories		
Liability for payroll services provided by the Government	$ 108,866	$ 93,425
Health and Social Services	3,610	2,466
Finance	4,181	505
Infrastructure	346	481
Municipal and Community Affairs	178	-
Total due to Government of the Northwest Territories	$ 117,181	$ 96,877

The due to Government of the Northwest Territories is unsecured, without interest and due on demand.

7. 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.

	2019	2018
Trade payable	$ 13,661	$ 10,938
Annual leave and lieu time	7,092	6,634
Due to related parties (note 15)	427	58
Due to WSCC	-	19
Total accounts payable and accrued liabilities	$ 21,180	$ 17,649

8. 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 (2018 – 1.1) the employees' contributions for employees who started prior to January 2013 and 1.0 times (2018 – 1.0) the employees' contributions for all other employees.

The Authority and the contracted physician's contribute to the Physician Retirement Income Benefit (PRIB). The Physician's contribution rate is 7.5 percent of the Physician's base salary, minus the Physician's contribution to the Canada Pension Plan. The Authority contribution rate is 15 percent of the Physician's base salary, minus the Employer's contribution to the Canada Pension Plan on behalf on the Physician. The Authority contributed $9,966 (2018 – $9,980) to PSPP and $2,290 (2018 – $2,102) to the Physician's fund. The employee's contributions were $9,977 (2018 – $9,920) and $1,069 (2018 – $966) respectively.

9. Other employee future benefits and compensated absences

In addition to pension benefits, the Authority provides severance (resignation and retirement), removal and compensated absence (sick, special, maternity and parental leave) benefits to its employees. The benefit plans are not pre-funded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Severance benefits are paid to Authority employees based on the type of termination (e.g. resignation versus retirement) and appropriate combinations that include inputs such as when the employee was hired, the rate of pay, the number of years of continuous employment and age and the benefit is subject to maximum benefit limits. Removal benefits are subject to several criteria, the main ones being location of hire, employee category and length of service. The benefits under these two categories were valued using the projected unit credit methodology.

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

9. Other employee future benefits and compensated absences (continued)

Valuation results

The actuarial valuation was completed as at February 15, 2019. The results were extrapolated to March 31, 2019. The effective date of the next actuarial valuation is March 31, 2020.

These liabilities are expensed in the year they become due.

	Severance and Removal	Compensated absences	2019	2018
Changes in obligation				
Accrued benefit obligations, beginning of year	$ 7,029	$ 1,558	$ 8,587	$ 10,777
Current period benefit cost	473	149	$ 622	636
Interest accrued	256	59	$ 315	329
Benefits payments	(762)	(1,241)	$ (2,003)	(2,351)
Actuarial (gain)/loss	1,686	1,172	$ 2,858	(804)
Accrued benefit obligations, end of year	8,682	1,697	10,379	8,587
Unamortized net actuarial gain/(loss)	784	(1,453)	(669)	2,561
Net future obligation	$ 9,466	$ 244	$ 9,710	$ 11,148
Other compensated absences	-	406	406	377
Total employee future benefits and compensated absences	$ 9,466	$ 650	$ 10,116	$ 11,525
Benefits expense				
Current period benefit cost	473	149	622	636
Interest accrued	256	59	315	329
Amortization of actuarial (gain)/loss	(405)	33	(372)	(272)
	$ 324	$ 241	$ 565	$ 693

The discount rate used to determine the accrued benefit obligation is an average of 3.2% (2018 - 3.8%).

10. Trust assets under administration

The authority administers trust assets, consisting of cash held on behalf of patients, which are not included in the reported Authority's assets and liabilities, totaling $187 (2018 - $159).

11. Government assets and services provided at no charge

During the year, the Authority received without charge from the Government, services including utilities, repairs and maintenance, payroll processing, medical travel costs, insurance and risk management, legal counsel, construction management, records storage, computer operations, asset disposal, project management, and translation services. The services are part of the central agency role of the Government and no estimate can be reasonably determined.

The Government provides without charge the use of buildings, equipment, leasehold improvements, mainframe and software systems, medical equipment and vehicles for use in program and service delivery. These would have cost the Authority an estimated $9,896 (2018 - $8,134) based on the calculated depreciation expense by the Government and have been recognized as rent expense with a corresponding grant-in-kind in the financial statements.

12. Accumulated Deficit

	2019	2018
Accumulated deficit upon amalgamation	$ 50,824	$ 50,824
Addition to the accumulated deficit since amalgamation	50,038	37,967
Accumulated deficit	$ 100,862	$ 88,791

13. Contractual obligations

The Authority has entered into agreements for equipment, operations and services (Government medical travel program) or is contractually committed to, the following expenses payable subsequent to March 31, 2019:

	Expires in Fiscal Year	2020	2021	2022	2023	2024 and Thereafter	Total
Equipment leases	2026	$ 516	$ 221	$ 208	$ 181	$ 393	$ 1,519
Operational leases	2024	10,422	5,554	3,121	23	1	19,121
Service contracts	2027	21,989	17,248	16,874	17,200	18,231	91,542
		$ 32,927	$ 23,023	$ 20,203	$ 17,404	$ 18,625	$ 112,182

14. Contingencies

In the normal course of operations, the Authority is subject to claims and pending and threatened litigation against the Authority and its staff. At year end, the Authority estimated the total claimed amount for which the outcome is not determinable at $10 (2018 - $50). 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, 2019.

15. Related Parties

Related party transactions not disclosed elsewhere are as follows:

Due from related parties	Accounts Receivable	Allow. For Doubtful Accounts	Net 2019	Net 2018
Hay River Health and Social Services Authority	$ 118	$ (3)	$ 115	$ 46
Tlicho Community Services Agency	97	-	97	144
Stanton Territorial Hospital Foundation	23	-	23	-
Fort Good Hope Housing Authority	3	-	3	3
NWT Housing Corporation	1	-	1	16
Beaufort-Delta District Education Council	-	-	-	3
Northwest Territories Power Corporation	1	(1)	-	-
	$ 243	$ (4)	$ 239	$ 212

Due to related parties:	2019	2018
Aurora College	$ 214	$ 1
NWT Housing Corporation	164	10
Tlicho Community Services Agency	39	20
NWT Power Corporation	4	3
Hay River Health and Social Services Authority	2	14
GNWT - Infrastructure	2	-
BDIC	1	8
Beaufort-Delta District Education Council	1	2
	$ 427	$ 58

Revenues from related parties:	2019	2018
Tlicho Community Services Agency	$ 855	$ 914
Hay River Health and Social Services Authority	389	205
Stanton Territorial Hospital Foundation	142	-
GNWT - ECE	109	-
NWT Power Corporation	76	-
Beaufort-Delta Education Council	-	4
GNWT - MACA	-	1
	$ 1,571	$ 1,124

15. Related Parties (continued)

Expenses paid to related parties:	2019	2018
Tlicho Community Services Agency	$ 651	$ 376
Aurora College	269	7
NWT Housing Corporation & local housing authorities	166	144
Hay River Health and Social Services Authority	135	52
Yellowknife Catholic School Board	81	10
NWT Power Corporation	72	45
Stanton Territorial Hospital Foundation	50	-
Government of the Northwest Territories	42	978
Dehcho Division Education Council	5	-
Yellowknife Education District #1	5	7
BDIC	3	4
Beaufort-Delta Education Council	2	5
	$ 1,481	$ 1,628

16. Financial Instruments

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

(a) Credit risk

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

The Authority holds its cash, special purpose funds, and trust assets deposits in trust accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Authority's cash and special purpose funds deposits in trust accounts are insured up to $100.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well as policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables. These amounts are as disclosed in Note 5.

The Authority's maximum exposure to credit risk is represented by the financial assets for a total of $43,382 (2018 - $33,391).

Concentration of credit risk

Concentration of credit risk is the risk that customer(s) has a significant portion (more than ten percent) of the total accounts receivable balance and thus there is a higher risk to the Authority in the event of a default. The Authority does have concentration of credit risk. At March 31, 2019, receivables from the Government comprised 60% of the total outstanding accounts receivables (2018 - 55%). 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, 2019 mature within the next six months.

Total financial assets are $43,382 (2018 - $33,391) and financial liabilities are $148,505 (2018 - $126,067). The Authority has disclosed future financial liabilities and contractual obligations in Note 13. There have been no significant changes from the previous year in the exposure to risk or policies, procedures, and methods used to measure the risk.

17. Subsequent Event

Subsequent to year end, the Government completed construction of the new Stanton Territorial Hospital. The new hospital is owned by the Government but operated by the Authority. The first patient day in the new hospital was May 26, 2019. The opening of the new hospital will have a significant operating and financial impact on the Authority. The Authority expects to receive increased direct government contributions as well as increased grant-in-kind government contributions to offset the anticipated increase in expenses relating to operating the new, larger hospital. Since this will be the first year of operations for the new hospital, a reasonable estimate of the financial impact cannot be made.

18. Comparative figures

The financial statements have been reclassified where applicable to conform to the presentation used in the current year. The expenses by department were reclassified to provide increased transparency on the amount and type of transactions in each department. Amounts relating to medical travel and out of territory placement have been reclassified from within Administration and support services to Supplementary health programs on the Statement of Operations and Accumulated Deficit.

19. Budget

The approved budget have been reclassified where applicable to conform to the presentation used in financial statements as follows:

	Budget per Statement of Operations and Accumulated Deficit	Government Approved Budget	Difference
Revenue			
Recoveries from other sources	$ 9,246	$ 38,076	$ (28,830)
Recoveries from Nunavut	3,461	-	3,461
Contributions from other sources	-	-	-
Interest income	170	170	-
Other income	31	-	31
Total Revenue	12,908	38,246	(25,338)
Expenses			
Community social programs	81,367	23,592	57,775
Ambulatory care services	60,745	38,883	21,862
Administration and support services	61,189	61,501	(312)
Community health programs	44,864	98,524	(53,660)
Supplementary health programs	44,785	44,474	311
Nursing inpatient services	34,161	34,161	-
Diagnostic and therapeutic services	27,405	25,515	1,890
Undistributed	-	27,866	(27,866)
Total Expenses	354,516	354,516	-
Government contributions			
Contributions from Government of the Northwest Territories	286,634	281,098	5,536
Recoveries from Government of the Northwest Territories	19,636	-	19,636
Recoveries - non insured health services	13,357	13,191	166
Total Government contributions	319,627	294,289	25,338
Annual deficit	$ (21,981)	$ (21,981)	$ -

20. Expenses by object

	2019 Actual	2018 Actual
Compensation and benefits		
Salaries and wages	$ 172,758	$ 157,136
Superannuation	12,256	12,082
Post employment benefits	565	693
Honorariums	108	165
	185,687	170,076
Compensable Items		
Locums	15,441	15,978
Other compensable items	6,398	5,244
	21,839	21,222
Operations and maintenance		
Contracted and general services	75,924	47,599
Medical travel and other travel	27,529	26,246
Contributions	18,292	19,012
Medical and surgical supplies	10,420	11,461
Rent expense (Note 11)	9,896	8,134
Administrative expenses	3,910	3,087
Program expenses	4,746	3,606
General supplies	3,730	4,164
Professional development and training	3,531	1,743
Medical and program equipment	2,561	2,377
Communications	1,584	1,416
Valuation allowances	743	16
	162,866	128,861
Total expenses	$ 370,392	$ 320,159

Effective 1 April 2018, the Government of the Northwest Territories transferred the Out of Territory Program for Adults from the Department of Health and Social Services to the Authority. The Out of Territory Program for Adults supports the placement of adults from across the entire Northwest Territories based on needs identified by staff across the health and social services system, with a corresponding budget increase of $26,700, and a corresponding increase in community social programming.