

**Detta District Education Authority
Consolidated Financial Statements
June 30, 2016**

Dettah District Education Authority

Consolidated Financial Statements

June 30, 2016

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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 Board Members:

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

Acknowledgements:

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

Vision Statement:

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

Mission Statement:

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

Core Strategies:

- Develop, build, and maintain strong and respectful working relationships between the Dettah District Education Authority and Kaw Tay Whee School management/administration and staff to best serve students and families
- Provide daily instruction in the Williideh language and frequent opportunities for students to learn traditional ways of the community
- Recruit, train, and retain high quality, and highly qualified teaching and support staff to best serve current and future students
- Support school staff team to provide a whole-child educational experience and to provide a "wrap-around" services model to better support families in the community
- Actively engage in ensuring that students from the community from junior kindergarten to grade twelve attend and engage in educational opportunities; and work with extended families to promote the importance of school attendance and graduation
- Offer opportunities for pre-school aged children (0-5) to be involved in the wider life of the school to ease the transition when it is time for these children to register for school
- Support school management in their advocacy for services to be offered in the community school so as to ease challenges with system navigability; including but not limited to health services

- Plan for the future of a healthy thriving school and the possible provision of needed early intervention by networking and supporting new families and new parents
- Carefully ensure maximum fiscal responsibility to best meet the specific needs of students in our school
- Support school staff team in their quest to provide ample opportunities for students to have a wide variety of learning experiences so as to broaden their general knowledge base, and have a positive impact on personal health, well being, confidence, and strong personal cultural identity

Active Committees:

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

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

School Staff Equivalents:

In 2015-2016, the FTE enrolment of Kaw Tay Whee School was 37.0 students from junior kindergarten to grade 8.

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

The school employed 4.0 full time teachers, 1.0 language teacher/EA, 2.0 education assistants, and 1.0 principal/PST/teacher.

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

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

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 Williidah language, by a caring, and qualified individual from the community
- An increase in grades offered over the past several years, to now encompass junior kindergarten to grade eight; therefore maximizing potential for students to access high quality learning in the home community, and ensuring that there are no barriers with transportation if a student is late

- Over the past eight 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 moving or a low birth year

Challenges and Threats:

- Due to large families moving away from Dettah, or a low birth year in the community, school enrollment can be volatile and unpredictable from year to year; thus providing a challenge for the number of grades offered in one room, and in providing assistance for those students requiring one-on-one support. In order to minimize threat, as school funding changes, the DDEA has ensured a small surplus to attempt to maintain the integrity of school programming and staff allocations.

Financial Condition

The Authority's financial assets decreased from \$604,792 to \$444,509. This year the net financial assets (financial assets less liabilities) were \$193,657 compared to \$353,922 in the prior year.

The Authority had an operating deficit of \$160,265 for the year. This deficit is attributed to the decrease in core funding revenue for the year. The Authority managed to decrease its expenditures from the prior year by more than the revenue decrease, resulting in a lesser deficit in 2016 than in 2015. The accumulated surplus at year end is \$193,657.

Accounts payable and accrued liabilities have increased from \$31,664 to 42,592 due to increased amounts owing on VISA at year end.

The Yellowknife Education District #1 Payable decreased from \$219,206 to \$208,260. The decrease is a result of the Authority having less staff on payroll in 2016 compared to 2015.

Dettah DEA received 97% (2015 - 95%) of its funding from the GNWT. The core funding decreased from \$1,606,601 to \$1,501,126 in the current year. Other revenue in the current year mainly consists of donations from Diavik Diamond Corporation of \$25,000.

Summary and Outlook

Achievements and Successes:

- Year end school enrollment was at a 12 year high
- Students in need of speech support was also at a 12 year high; yet students received one-on-one support on a daily basis to improve their skills
- School staff remained consistent; with over 50% of employees being employed at the school for five years or longer
- Attendance of community members and family members at school events continued to increase

Top Priority Challenges for the Coming Year:

- Due to a high number of families moving out of Dettah, and several students beginning grade 9, student enrollment is projected to decrease greatly for the 2016-2017 school year; thus having a large financial impact on the funding allocations for the 2017-2018 school year, and causing a need to cut back in many areas; including staffing for the 2016-2017 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 Responsibility for Financial Reporting

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

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

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

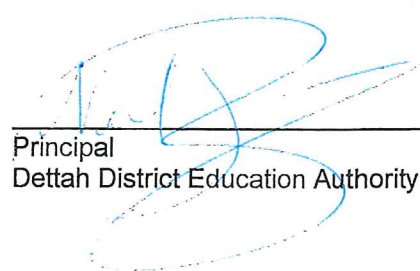
Management hereby asserts that auditors have been provided with all relevant records and documentation except payroll paid by Yellowknife Education District #1. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial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

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

Approved and confirmed on behalf of the Authority



Chairperson
Dettah District Education Authority



Principal
Dettah District Education Authority

October 14, 2016

Independent Auditors' Report

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Dettah District Education Authority ("the Authority") which comprise the consolidated statement of financial position as at June 30, 2016 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 Authority's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Independent Auditors' Report (continued)

Basis for Qualified Opinion

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

Qualified Opinion

In our opinion, except for the effects of adjustments, if any, of the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Authority as at June 30, 2016, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Yellowknife, Northwest Territories
October 14, 2016

Crowe Mackay LLP

Chartered Professional Accountants

Dettah District Education Authority

Consolidated Statement of Financial Position

As at June 30, **2016** **2015**

Financial Assets

Cash (Note 4)	\$ 444,509	\$ 579,429
Accounts receivable (Note 8)	-	25,363
	444,509	604,792

Liabilities

Accounts payable and accrued liabilities (Note 10)	42,592	31,664
Due to Yellowknife Education District #1 (Note 26)	208,260	219,206
	250,852	250,870

Net Financial Assets and Accumulated Surplus **\$ 193,657** **\$ 353,922**

Contractual obligations and contingencies (Note 24 and 25)

Approved on behalf of the Authority


_____ **Chairperson**


_____ **Principal**

Dettah District Education Authority

Consolidated Statement of Operations

For the year ended June 30,	2016	2016	2015
	Budget (unaudited)	Actual	Actual
Revenues			
Government of the NWT			
ECE Regular Contributions	\$ 1,511,826	\$ 1,501,126	\$ 1,606,601
ECE Other Contributions (Note 33)		1,464	15,921
Total ECE	1,511,826	1,502,590	1,622,522
Total GNWT	1,511,826	1,502,590	1,622,522
Education Body Generated Funds			
Donations	-	32,780	89,072
Investment Income	-	619	2,570
Yellowknife Education District #1	-	17,300	3,300
Total Generated Funds	-	50,699	94,942
Total Revenues	\$ 1,511,826	\$ 1,553,289	\$ 1,717,464
Expenditures - Schedule 1			
Administration	279,430	102,380	175,597
School Programs	771,831	1,198,587	1,245,708
Inclusive Schooling	321,736	254,389	337,306
Operations and Maintenance	63,580	39,307	79,033
Aboriginal Languages	158,000	118,891	158,489
	\$ 1,594,577	\$ 1,713,554	\$ 1,996,133
Operating Deficit before other items	(82,751)	(160,265)	(278,669)
Other Items			
Grant in-kind - Assets provided at no cost (Note 23)	-	42,111	12,238
Rent expense - Assets provided at no cost (Note 23)	-	(42,111)	(12,238)
Operating Deficit	(82,751)	(160,265)	(278,669)
Opening Accumulated Surplus	353,922	353,922	632,591
Closing Accumulated Surplus	\$ 271,171	\$ 193,657	\$ 353,922

Dettah District Education Authority

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,	2015	2015
Operating deficit	\$ (160,265)	\$ (278,669)
Net financial asset, beginning of year	353,922	632,591
Net financial asset, end of year	\$ 193,657	\$ 353,922

Dettah District Education Authority**Consolidated Statement of Cash Flows**

For the year ended June 30,	2016	2015
<i>Cash provided by (used in):</i>		
Operating transactions		
Operating surplus (deficit)	\$ (160,265)	\$ (278,669)
Changes in non-cash assets and liabilities		
Decrease (increase) accounts receivable	25,363	832
Increase (decrease) accounts payable and accrued liabilities	10,928	(12,686)
Increase (decrease) due to Yellowknife District Education #1	(10,946)	54,129
Increase (decrease) deferred revenue	-	(50,000)
	25,345	(7,725)
Cash used for operating transactions	(134,920)	(286,394)
Decrease in cash and cash equivalents	(134,920)	(286,394)
Cash and cash equivalents at beginning of year	579,429	865,823
Cash and cash equivalents at end of year (Note 4)	\$ 444,509	\$ 579,429

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

1. Nature of Operations

The Authority was established under the *Education Act* of the Government of the Northwest Territories ("GNWT") by order of the Minister dated February 12, 2004. Its purpose is to administer and maintain the standards of educational programs in Dettah as defined under the Act. A full range of instructional programs ranging from kindergarten through grade 12 is offered by the Authority.

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

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

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

2. Significant Accounting Policies

(a) Basis of accounting

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

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

(b) Cash and Cash Equivalents

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

2. Significant Accounting Policies (continued)

(c) Financial Instruments

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

This category includes cash, accounts receivable, accounts payable and accrued liabilities, and amounts due to Yellowknife Education District #1. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

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

(d) Non-financial Assets

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

(e) Tangible capital assets

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

2. Significant Accounting Policies (continued)

(f) Revenue Recognition

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

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

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

GNWT - regular contributions

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

Other contributions

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

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 budget and are available for use at the discretion of each individual school.

Deferred revenue

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

Investment income

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

2. Significant Accounting Policies (continued)

(g) Infrastructure Funding

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

(h) Budget Data

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

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

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

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

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

(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 consolidated 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

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

2. Significant Accounting Policies (continued)

(k) Payroll Liabilities

Teacher payrolls for July and August are accrued.

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

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

(m) Special Purpose Funds

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.

(n) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organize or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exists; contamination exceeds the environmental standard; The Authority 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, 2016.

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

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

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

Inter-entity transactions, Section PS 3420

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

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

Assets, Section PS 3210

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

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

Contingent Assets, Section PS 3320

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

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

3. Future Accounting Changes (continued)

Contractual Rights, Section PS 3380

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

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

Student Activity Funds

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

4. Cash and Cash Equivalents

	2016	2015
Cash	\$ 444,509	\$ 579,429

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

The Authority does not have any portfolio investments.

8. Accounts Receivable

	2016	2015
Government of the Northwest Territories - Department of Education, Culture and Employment	\$ -	\$ 25,363

The Authority does not have an allowance for doubtful accounts in the current year (2015 - nil).

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

9. Inventory

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

10. Accounts Payable

	2015	2015
Trades payable	\$ 41,649	\$ 31,154
Government remittances payable	943	510
	\$ 42,592	\$ 31,664

11. Deferred Revenue

The Authority does not have any deferred revenue.

12. Contributions Repayable

The Authority does not have any contributions repayable.

13. Due From and To the Government of Canada

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

14. Capital Lease Obligations

The Authority does not have capital lease obligations.

15. Pensions

The Authority's indeterminate staff have the option to participate in a voluntary Defined Contribution (DC) pension plan (the Plan).

All DC assets of the Plan are held by a Trustee in favour of individual employees. The only obligation to the Authority is to match employee contributions. The Authority fully funds its DC obligation under the Plan each month. The Authority does not have any liability under the DC provision of the Plan as of June 30, 2016.

During the year, the Authority expensed \$49,384 (2015 - \$49,403) related to the Plan.

No assets or liabilities related to the DC provision are recorded in the financial statements of the Authority.

16. Long-Term Debt

The Authority does not have long-term debt.

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

17. Post-Employment Benefits

The Authority does not have a post-employment benefit liability recorded on its financial statements because they are paid by Yellowknife District Education #1.

18. Trust Assets Under Administration

The Authority does not have trust assets under administration.

19. Tangible Capital Assets

The Authority does not have tangible capital assets.

20. Prepaid Expenses and Deposits

The Authority does not have prepaid expenses and deposits.

21. Accumulated Surplus/Deficit

	2016	2015
Operating surplus	\$ 193,657	\$ 353,922

22. Capital Advances

The Authority does not have capital advances.

23. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	2016 Net Book Value	2015 Net Book Value
Kaw Tay Whee	\$ 895,327	\$ 400,532	\$ 474,796	\$ 536,906

Rent expense of \$42,111 (2015 - \$12,328) was offset by a grant in-kind.

24. Contractual Obligations

The Authority does not have any contractual obligations.

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

25. Contingencies

The Authority does not have any contingencies.

26. Related Parties

The Authority is related in terms of common ownership to all GNWT created departments, agencies and corporations. The Authority enters into transactions with these entities in the normal course of business. Transactions with related parties and balances at year-end disclosed in the financial statements are summarized in this note.

Accounts Receivable

	2016	2015
GNWT - Department of Education, Cultural and Employment	\$ -	\$ 25,363

Due to Related Party

	2016	2015
Yellowknife Education District #1	\$ 208,260	\$ 219,206

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.

27. Budget Data

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

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

The budget figures presented are those approved by the Trustees of the Authority on September 10, 2015 and have not been audited.

28. Economic Dependence

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

29. Risk Management

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

a) Credit risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments of interest and principal when due. The Authority is exposed to this risk relating to its cash, short-term investments, and accounts receivable. The Authority 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 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 \$444,509 (2015 - \$604,792).

Accounts receivable are ultimately due from the departments of the Government of the Northwest Territories (GNWT) and pertain to outstanding contribution agreements.

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

b) Liquidity risk

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

The Authority's maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities and due to Yellowknife Education District #1 for a total \$250,852 (2015 - \$250,870).

The financial assets including cash, short-term investments and accounts receivable, mature within 6 months. The financial liabilities including accounts payable and accrued liabilities and payroll liabilities mature within 6 months.

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2016

30. Expenditures By Object

	2016 Budget	2016 Actual	2015 Actual
Compensation	\$ 1,130,967	\$ 956,641	\$ 1,035,285
Materials/freight	45,380	155,659	244,440
Services purchased/contracted	418,230	601,254	716,408
	<hr/>	<hr/>	<hr/>
	\$ 1,594,577	\$ 1,713,554	\$ 1,996,133

31. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2016 and the audit report date.

32. Comparative Figures

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

33. ECE Other Contributions

	2016	2015
Government of the Northwest Territories - Department of Education, Culture and Employment		
Healthy Children Initiative	\$ -	\$ 15,921
Other	1,464	-
	<hr/>	<hr/>
	\$ 1,464	\$ 15,921

34. GNWT Other Contributions

There were no contributions from other departments of the GNWT.

35. Payroll Liabilities

The Authority does not have payroll liabilities because they are paid through Yellowknife District Education #1.

36. Statement of Remeasurement Gains and Losses

The Authority does not have remeasurement gains and losses.

Deftan District Education Authority

Schedule 1 - Consolidated Details of Expenditures

For the year ended June 30,

	School Programs	Operations & Maintenance	Administration	Aboriginal Languages	Inclusive Schooling	Other	Total 2016	Budget 2016	Total 2015
Salaries									
Teachers	\$ 387,239	\$ -	\$ -	\$ -	\$ 212,413	\$ -	\$ 599,652	\$ 880,667	\$ 599,363
Instructional assistant	-	-	-	-	-	-	-	25,800	32,252
YK1 superintendent	-	-	29,750	-	-	-	29,750	27,500	25,000
Non-instructional staff	-	39,307	-	97,622	-	-	136,929	164,000	194,147
Board/Trustee honoraria	-	-	15,180	-	-	-	15,180	18,000	20,150
School secretary	22,826	-	-	-	-	-	22,826	15,000	23,123
Total Salaries	410,065	39,307	44,930	97,622	212,413	-	804,337	1,130,967	894,035
Employee Benefits									
Employee benefits and allowances	96,402	-	2,127	13,014	40,761	-	152,304	-	141,250
Services Purchased or Contracted									
Advertising	26,627	-	-	-	-	-	26,627	31,700	39,430
Contracted services	368,271	-	35,228	-	-	-	403,499	202,100	381,538
Maintenance and upgrades	8,814	-	243	-	-	-	9,057	25,000	108,738
Other	41,816	-	18,307	785	-	-	60,908	64,400	67,841
Professional and technical services	28,310	-	-	-	1,215	-	29,525	31,350	48,643
Student transportation (bussing)	71,638	-	-	-	-	-	71,638	63,680	70,218
Total Services Purchased or Contracted	545,476	-	53,778	785	1,215	-	601,254	418,230	716,408
Materials and Freight									
Freight	150	-	-	-	-	-	150	-	1,498
Materials	146,494	-	1,545	7,470	-	-	155,509	45,380	242,942
Total Materials and Freight	146,644	-	1,545	7,470	-	-	155,659	45,380	244,440
Total Expenditures	\$ 1,198,587	\$ 39,307	\$ 102,380	\$ 118,891	\$ 254,389	\$ -	\$ 1,713,554	\$ 1,594,577	\$ 1,996,133

Dettah District Education Authority

**Schedule 2
Aboriginal Language and Culture Program Expenditures**

For the year ended June 30, 2016

Function	Student Instruction	Teaching/Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Non-instructional staff	\$ 97,622	\$ -	\$ -	\$ -	\$ 97,622
Employee Benefits					
Employee benefits/allowances	13,014	-	-	-	13,014
Services Purchased/Contracted					
Other	785	-	-	-	785
Materials/Supplies/Freight					
Materials	7,470	-	-	-	7,470
Total	\$ 118,891	\$ -	\$ -	\$ -	\$ 118,891

Deftah District Education Authority

**Schedule 3
Details of Inclusive Schooling Expenses**

For the year ended June 30,

2016

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,413	\$ 212,413
Consultants	-	-	-	-	-	-	-	-
Support assistants	-	-	-	-	-	-	-	-
Employee Benefits								
Employee benefits/allowances	-	-	-	-	-	-	212,413	212,413
Services Purchased/Contracted								
Professional/technical services	-	-	-	-	-	-	1,215	1,215
Maintenance/repair	-	-	-	-	-	-	-	-
Materials/Supplies/Freight								
Materials	-	-	-	-	-	-	1,215	1,215
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,389	\$ 254,389