

PUBLIC ACCOUNTS
OF THE
GOVERNMENT OF THE NORTHWEST TERRITORIES
FOR THE YEAR ENDED MARCH 31, 2016

SECTION IV
SUPPLEMENTARY FINANCIAL STATEMENTS
BOARDS

HONOURABLE ROBERT C. MCLEOD
Minister of Finance

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

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**BEAUFORT-DELTA EDUCATION COUNCIL
INUVIK, NT**

**CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2015**

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BEAUFORT- DELTA EDUCATION COUNCIL

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

Management Discussion and Analysis

For the Year Ended June 30, 2015



BEAUFORT- DELTA EDUCATION COUNCIL

Aklavik, Fort. McPherson, Inuvik, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk,
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Message from Superintendent of Schools Denise McDonald

On behalf of the Beaufort Delta Education Council (BDEC), we are pleased to present the Annual Report for 2014/2015. The Management Discussion and Analysis (MD&A) is presented as a go-forward responsibility of the management and the Board Members to promote transparency and accountability.

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

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

This approach will enable BDEC to clearly state the progress that the organization has made and will highlight areas where improved is needed. Some of the key accomplishments in 2014/2015 include:

- Continued partnership with the Gwich'in Tribal Council (GTC) on development of a high school course to reflect the Gwich'in culture and history.
- Partnership with the Inuvialuit Regional Corporation (IRC). The IRC continues to contribute financially to BDEC's eLearning Program and supporting the Data Analyst position
- Continuation of the eLearning program. The eLearning program provides high school students from small communities the opportunity to stay in their home community to complete high school. The program offers courses that are not available in the smaller communities; courses that require specialists that cannot be afforded. The program hosted out of East Three Secondary School provides 'face to face' live classes through videoconferencing to students from three NWT regions. The pilot program has already begun to show signs of an increase in the average success rate of students and this is a principal factor for continuing the program.
- BDEC has collaborated with IRC's initiative to hire candidates referred to as "Student and Family Support Workers" who are working in the communities of Inuvik, Aklavik, Tuktoyaktuk, Ulukhaktok, Paulatuk and Sachs Harbour. The Student and Family Support Workers will work with students (with parental approval) to improve student success by addressing attendance concerns and other matters.
- Completion of our first year of Common Math Assessments (CMAs) where each unit in math was assessed in grades 2-9. These assessments will help BDEC achieve greater consistency in mathematics assessment across the district. Student results are being collected with the long-term goal of identifying areas of strength and weakness which will assist in program planning and providing more targeted supports in math and numeracy.
- BDEC students in Grades 6 and 9 wrote the Alberta Achievement Test (AATs) in English language Arts, mathematics and French Language Arts. Alberta had planned to discontinue the

Grade 6 and Grade 9 AATs in 2015 and 2016 respectively, this plan has been postponed. Students in grades 6 and 9 in the NWT will continue to write the AATs until further notice.

- Grade 12 students currently write the June sitting of the Alberta Diploma Examinations. Diploma Exams currently weighted at 50% of a student's final grade are being heavily debated in Alberta. Starting in the 2015-2016 school year, the weight of the Diploma Exams will be reduced to 30% in Alberta.
- Access to High School Education, formerly the 'Home Boarding Program' provides academic, behavioral and financial support for students who do not have access to high school courses in their communities. Students are from Sachs Harbour and Tsiigehtchic.

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. This environment of change has naturally lead BDEC staff to re-examine the conventional teaching and learning model as it pertains to the Aboriginal student. 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. First, culture-based education (CBE) positively impacts student socio-emotional well-being. Second, enhanced socio-emotional well-being in turn affects math and reading test scores. Third, CBE is positively related to math and reading test scores for all students, and particularly for those with low socio-emotional development.

We acknowledge the work and thinking that has led us to this point in our region. BDEC has been shaped by the staffs and families who have contributed to our successes and upon whose work and input we continue to build.

Overview

The Beaufort Delta Education Council (BDEC) provides kindergarten to Grade 12 instruction for 1,350 students through 9 schools in the in 8 communities of Inuvik, Aklavik, Fort McPherson, Tsiigehtchic, Tukoyaktuk, Sachs Harbour, Ulukhaktok, and Paulatuk.

Fort McPherson, Sachs Harbour and Paulatuk offer education only 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

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.

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

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

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 typically has one face to face meeting yearly, and two video conference meetings yearly.

Chairperson	Lesa Semmler
Vice-Chairperson	Tena Blake
Member-at-Large	Maureen Pokiak
Aklavik	Evelyn Wilson
Fort McPherson	Tena Blake
Inuvik	Judy Harder
Paulatuk	Gilbert Thrasher Sr
Sachs Harbour	DEA Office
Tsiigehtchic	Anna May MacLeod
Tuktoyaktuk	Maureen Pokiak
Ulukhaktok	Margaret Kanayok
Gwich'in Tribal Council	Robert Charlie
Inuvialuit Regional Corporation	Evelyn Storr

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	Denise McDonald
Assistant Superintendent of Schools	Greta Sittichinli
Supervisor of Schools	Chris Gilmour
Comptroller	Gary McBride
Public Affairs Coordinator	Rose Anne Snow
LAN Manager	Michael Reardon

Consultants

Literacy Coordinator k-12	Angela Young
Inclusive Schooling	Theresa Hartley
Math Science	Tara Gilmour

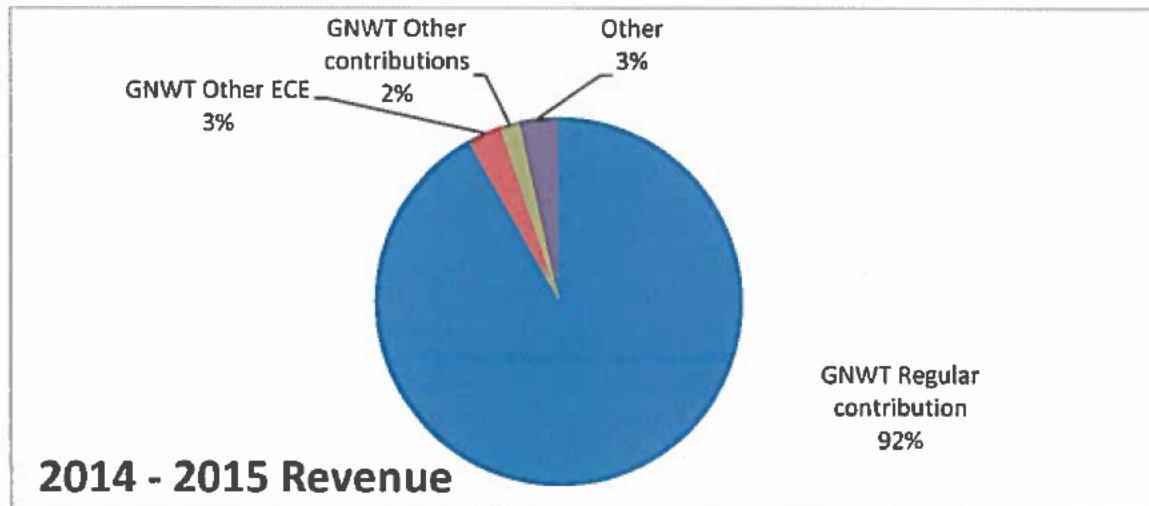
Principals

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

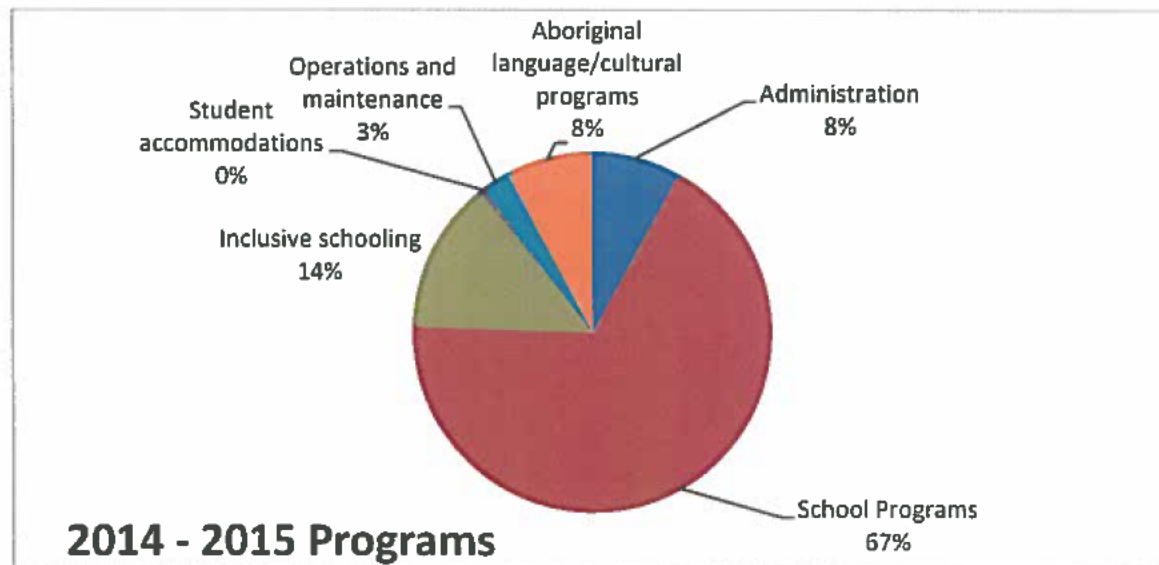
Debbie Redden-Cormier
Shirley Snowshoe
Sonia Gregory
Richard McKinnon
Lawrence Berger
Agnes Cudmore
Velma Illisiak
Deborah Reid
Deborah Reid

Financial Highlights

Revenues for 2014–2015 of \$30.7 million were \$2.2 million higher than budgeted. GNWT regular contributions accounted for a 92% of the revenue at \$28.2 million a drop of \$85.4K from 2013-2014 year. This was compensated by other contribution agreements from the GNWT bring the total GNWT contributions to \$29.6 million. Total revenues of \$30.7 million were an increase of \$123.1K from the 2013-2014 year.



Expenses are broken into program cost; school programs accounted for 67% of cost at \$19.4 million, Inclusive schooling for 14% of cost at \$3.97 million. Overall total expenses at \$28.8 million were \$721.4K less than 2013-2014.



For 2015 BDEC had an Accumulated Surplus of \$1,939,938 compared to a budgeted surplus of \$67,505. This is attributed to Total Revenue at \$30,706,898 being \$2,203,883 higher than budgeted representing a 7.73% increase over the budgeted amount of \$28,503,015.

BDEC generated \$1,531,786 from additional contribution agreements with the GNWT for a total of \$29,550,740, and the DEA's generated an additional \$618,657 for a total of \$1,073,718. With both the DEA's and BDEC there has been a solid effort in finding funding partners that will allow us to maintain our programs and to offer some specialty programming. In the Communities the schools and the DEA's continue to look for ways to enhance the education of our students through additional funding methods.

Expenses for the year end June 2015 were \$331,450 higher than the budget of \$28,435,510 for a total cost of \$28,766,960. This represents in total a 1.17% cost over-run for the year.

Chart 1 displays our 2015 Actual Revenues compared to the budgeted revenue.

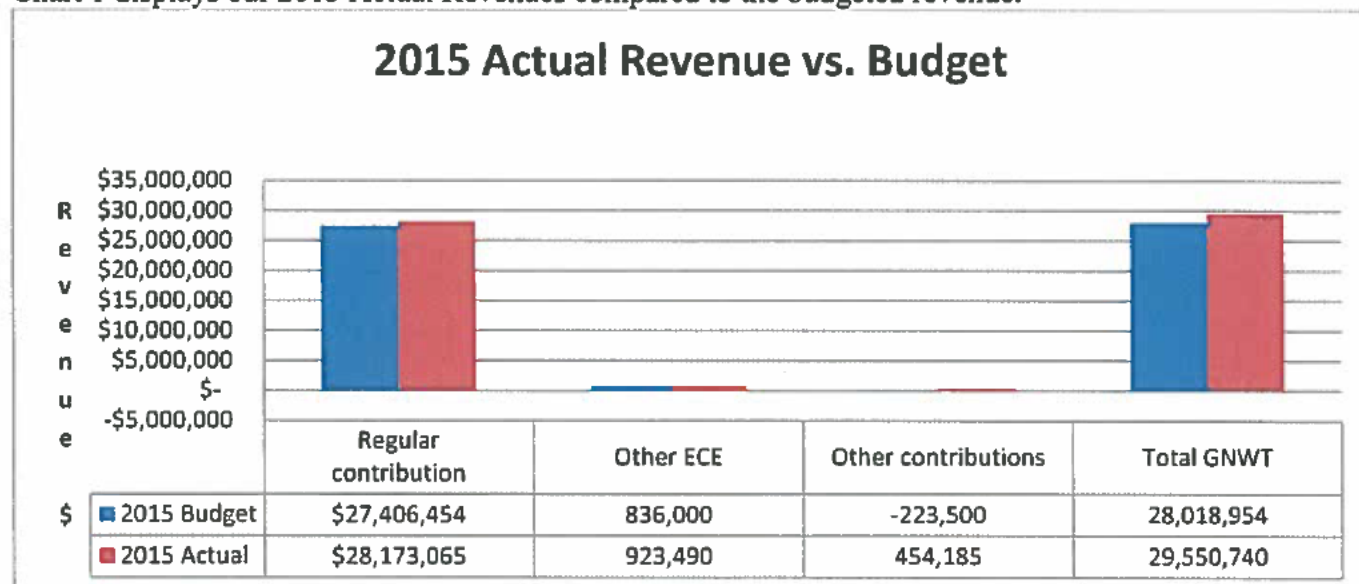
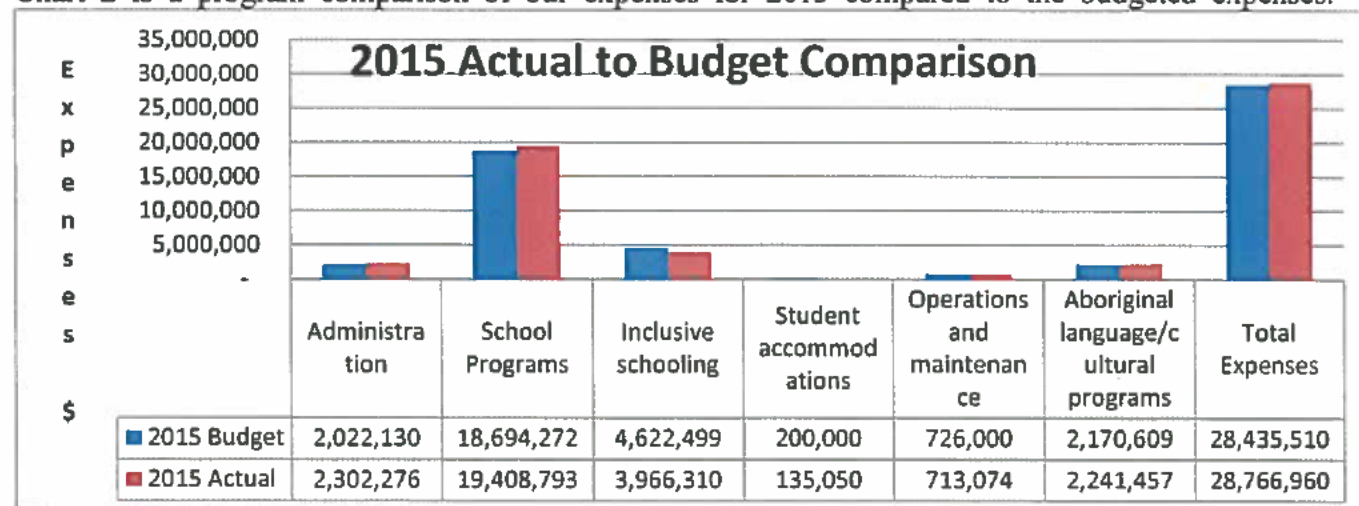


Chart 2 is a program comparison of our expenses for 2015 compared to the budgeted expenses.



When comparing 2015 against 2014, BDEC experienced a 0.03% decrease in revenues, and a reduction in cost of 2.45% showing an operating surplus of \$1,939,938 compared to the operating surplus for 2014 of \$1,095,371. This was the result of additional contribution agreements, stringent cost controls and expense monitoring in the 2015 year.

Chart 3 is a comparison of the 2015 GNWT Revenues compared to the 2014 Revenues

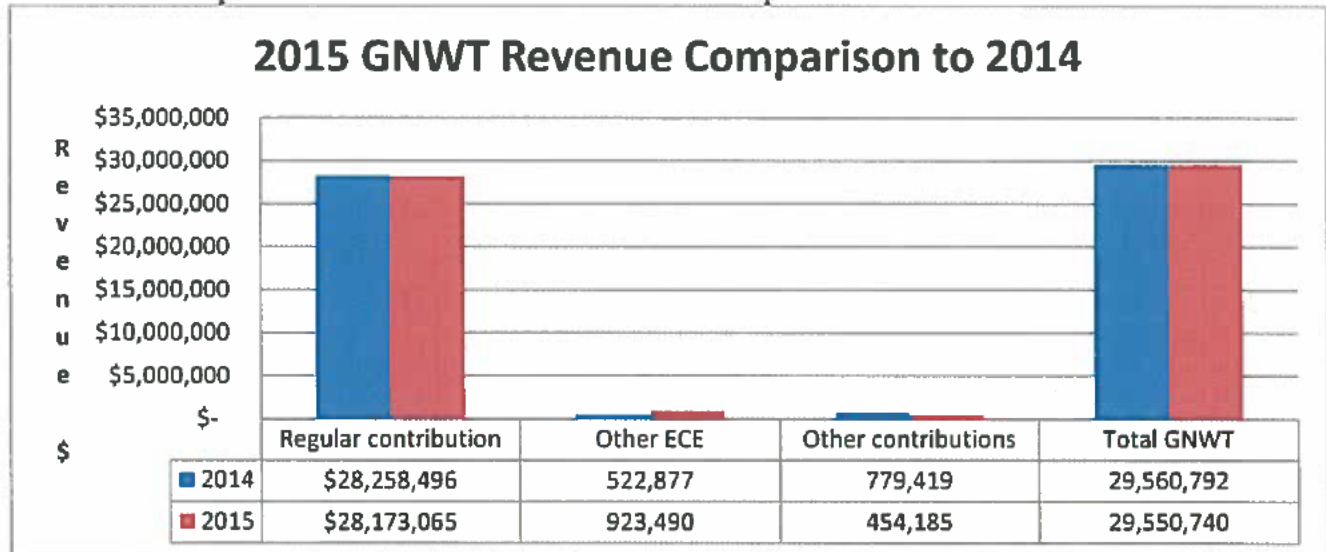
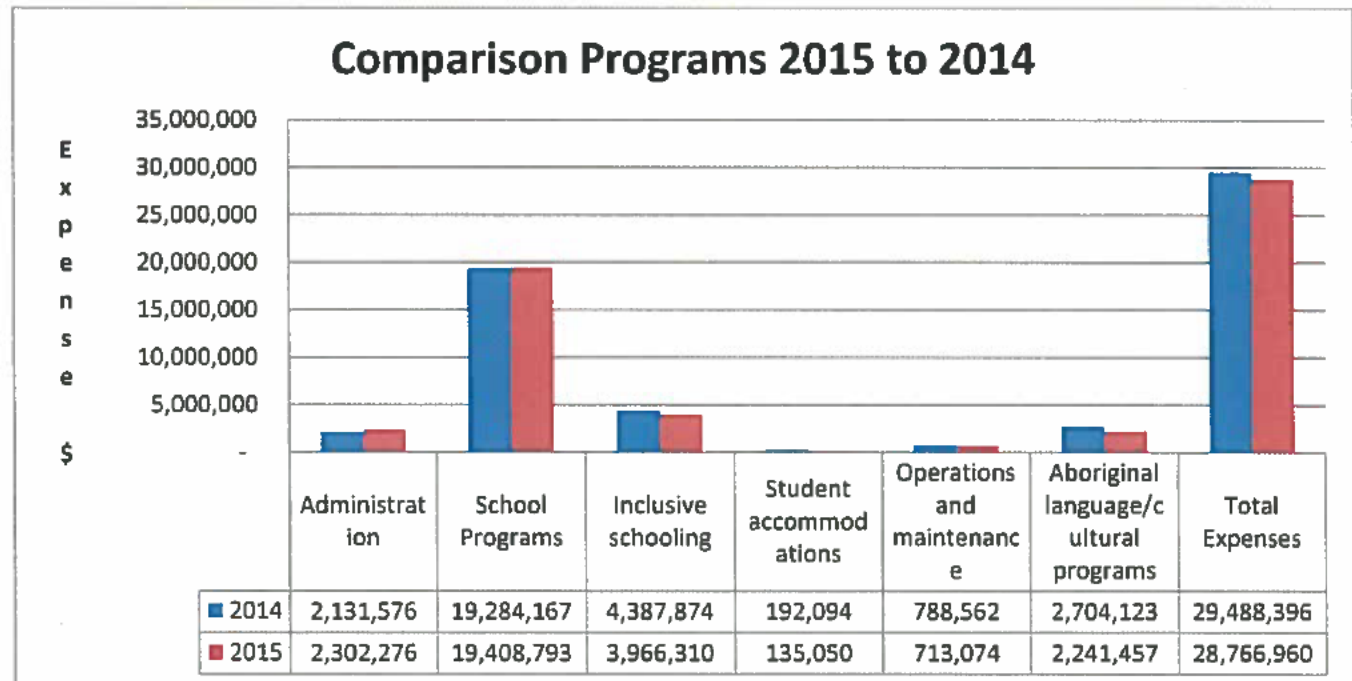


Chart 4 compares the 2015 Program Expenses against to the 2014 Program Expenses.



2014-2015 continues the trend from 2012-2013 of achieving an operating surplus. In 2013-2014 BDEC after four years of having an Accumulated Deficit managed a small Accumulated Surplus. With the \$1.94 million operating surplus has achieved an Accumulated Surplus of 7% of the Total Revenues or \$2.17 million. ECE recommends that all school councils maintain an Accumulated Surplus of 5% to 7% of Total Revenues to provide for unexpected expenditures, and to buffer timing difference in ECE funding. ECE regular contribution for the year is based upon number of students in attendance as of the end of September of the previous year.

The operating surplus was achieved partially through a reduction of teaching positions, and strong efforts by all staff to control cost. In addition to cost controls, the DEA's, schools and BDEC were successful in forming partnerships with other organizations resulting in above budgeted funding from additional contribution agreements. BDEC will continue to look for methods to deliver programs more effectively and efficiently and will continue to search for funding partnerships that aid us in delivering programs as outlined in our strategic plan to our students in each of our communities.

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	2015 Students	2015 Teachers	2014 Students	2014 Teachers
Aklavik	Moose Kerr	151.00	11.93	151.00	11.93
Fort McPherson	Chief Julius	145.00	12.00	176.00	12.26
Inuvik	East 3 Elem	347.00	17.00	324.50	17.54
Inuvik	East 3 Second	266.00	20.00	283.00	21.43
Inuvik DEA	Subtotal	613.00	37.00	607.50	38.97
Paulatuk	Angik	51.75	5.50	50.00	7.21
Sachs Harbour	Inualthuyak	20.00	2.00	22.00	2.00
Tsiigehtchic	Chief Paul Niditchie	33.00	3.00	29.00	2.50
Tuktoyaktuk	Mangilaluk	221.50	14.00	202.50	12.62
Ulukhaktok	Helen Kalvak	107.00	7.00	100.50	8.77
Total		1342.25	92.43	1338.50	96.26

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.

Stallworthy-Carpenter Fund

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

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

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

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

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

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

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

2014/2015 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 2014 – 2015 year the following individual were recognized by the management team.

Community	Name	Service Years
Aklavik	Deana Greenland	10
Fort McPherson	Shirley Snowshoe	20
Inuvik	Michelle Wright	5
	Kenneth Crocker	5
	William Logan	5
	Richard Letourneau	10
	Christina Pierrot	10
	Anna Pingo	10
	Allan Gillis	15
	Rosa Ann Kayotuk	20
Tsiigehtchic	Alma Cardinal	5
	Renie Koe	20
Tuktoyaktuk	Pamela Attwood	5
	Jenny Jacobson	5
	Annie Felix	25
Ulukhaktok	Laura Inuktalik	5
	Jennifer Dickson	5
	Shawn Feener	5
	Kathy Tollenaar	5

Summary and Outlook

BDEC has completed a most successful year both scholastically and financially. Many of the communities have introduced community specific programs which encourages attendance. This year resulted in a number of graduate looking to further their education through advanced schooling. 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. Our staff continue to look for opportunities to deliver education in an effective and efficient manner. The opportunities are forming education partnerships, eLearning, and new approaches to education. Staff continue to develop skill sets through attendance at conferences, and a number of staff continue to upgrade their skill set to become better at their positions. With this dedication, even with the possibility of reduced funding we believe the future is bright for the students of the Beaufort Delta.



MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

The auditors 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



for Denise McDonald
Superintendent



Gary McBride
Comptroller

November 26, 2015



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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, 2015 and the Consolidated Statements of Changes in Net Financial Assets (Debt), Revenue and Expenses and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

The Government of the Northwest Territories is responsible for the calculation and distribution of a significant portion of the wages and benefits that appear on the consolidated statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the records of the Beaufort-Delta Education Council. Consequently, we were unable to determine whether adjustments to the financial performance and cash flows might be necessary for the year ended June 30, 2015.

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, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Avery Cooper & Co. Ltd.

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

November 26, 2015

BEAUFORT-DELTA EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 June 30, 2015

Statement I

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 4)	\$ 8,697,156	\$ 5,888,309
Restricted Assets (Note 6)	258,247	257,553
Accounts Receivable (Note 8)	<u>370,135</u>	<u>585,483</u>
	<u>9,325,538</u>	<u>6,731,345</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 10)	686,478	761,028
Payroll Liabilities (Note 35)	3,523,631	2,833,323
Contribution Repayable (Note 12)	122,532	105,540
Employee Deductions Payable	37,343	36,083
Deferred Revenue (Note 11)	283,771	228,972
Post-Employment Benefits (Note 17)	<u>2,278,677</u>	<u>2,285,452</u>
	<u>6,932,432</u>	<u>6,250,398</u>
NET FINANCIAL ASSETS (Statement II)	<u>2,393,106</u>	<u>480,947</u>
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	<u>31,022</u>	<u>2,549</u>
	<u>31,022</u>	<u>2,549</u>
ACCUMULATED SURPLUS (Statement IV)	<u>\$ 2,424,128</u>	<u>\$ 483,496</u>
CONTINGENCIES (Note 25)		

Approved:

Chris Selman for Superintendent

Hemmou Council Member

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement II

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 67,505	\$ 1,939,938	\$ 1,095,370
Net Income from Stallworthy / Carpenter Fund	-	694	731
Acquisition of Prepaid Expenses	-	(31,022)	15,641
Use of Prepaid Expenses	<u>-</u>	<u>2,549</u>	<u>-</u>
	-	(27,779)	16,372
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	<u>67,505</u>	<u>1,912,159</u>	<u>1,111,742</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>480,947</u>	<u>480,947</u>	<u>(630,795)</u>
NET FINANCIAL ASSETS, END OF YEAR	\$ <u>548,452</u>	\$ <u>2,393,106</u>	\$ <u>480,947</u>

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015

Statement III

	2015 Budget <u>(Unaudited)</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Government of the NWT			
Regular contributions	\$ 27,406,454	\$ 28,173,065	\$ 28,258,496
Other ECE contributions (Note 33)	836,000	923,490	522,877
Other contributions (Note 34)	<u>(223,500)</u>	<u>454,185</u>	<u>779,419</u>
Total Government of the NWT	<u>28,018,954</u>	<u>29,550,740</u>	<u>29,560,792</u>
Government of Canada	<u>29,000</u>	<u>82,440</u>	<u>433,060</u>
Board Generated Funds			
Investment Income	-	66,658	34,488
Rentals	3,200	12,150	21,900
Other (Note 38)	<u>451,861</u>	<u>994,910</u>	<u>533,526</u>
Total Board Generated Funds	<u>455,061</u>	<u>1,073,718</u>	<u>589,914</u>
TOTAL REVENUE	<u>28,503,015</u>	<u>30,706,898</u>	<u>30,583,766</u>
EXPENSES (Schedule 1)			
Administration	2,022,130	2,302,276	2,131,576
School Programs	18,694,272	19,408,793	19,284,167
Inclusive Schooling	4,622,499	3,966,310	4,387,874
Student Accommodations	200,000	135,050	192,094
Operations & Maintenance	726,000	713,074	788,562
Aboriginal Languages/Cultural Programs	<u>2,170,609</u>	<u>2,241,457</u>	<u>2,704,123</u>
TOTAL EXPENSES	<u>28,435,510</u>	<u>28,766,960</u>	<u>29,488,396</u>
OPERATING SURPLUS	<u>\$ 67,505</u>	<u>\$ 1,939,938</u>	<u>\$ 1,095,370</u>

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL**Statement IV****CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS**

For the Year Ended June 30, 2015

	<u>2015</u>	<u>2014</u>
OPERATING FUND SURPLUS		
Operating Fund Surplus/(Deficit), Beginning of Year	225,943	(869,427)
Annual Surplus	<u>1,939,938</u>	<u>1,095,370</u>
Operating Fund Surplus, End of Year	<u>2,165,881</u>	<u>225,943</u>
STALLWORTHY / CARPENTER ENDOWMENT		
Opening Endowment Balance	257,553	-
Prior Period Adjustment (Note 37)	<u>-</u>	<u>256,824</u>
Opening Endowment Balance, as restated	257,553	256,824
Interest Income	3,194	3,229
Endowment Expenses	<u>(2,500)</u>	<u>(2,500)</u>
Closing Endowment Balance (Note 6)	<u>258,247</u>	<u>257,553</u>
Total Closing Accumulated Surplus	<u>2,424,128</u>	<u>483,496</u>

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

Statement V

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2015

Cash provided by (used in):	<u>2015</u>	<u>2014</u>
OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 1,939,938	\$ 1,095,370
Changes in non-cash assets and liabilities:		
Decrease (increase) in accounts receivable	215,348	28,835
Increase (decrease) in accounts payable	(74,550)	(13,547)
Increase (decrease) in payroll liabilities	690,308	933,765
Increase (decrease) in contributions repayable	16,992	76,606
Increase (decrease) in employee deductions payable	1,260	(2,815)
Increase (decrease) in deferred revenue	54,799	(6,111)
Increase (decrease) in post-employment benefits	(6,775)	194,971
Decrease (increase) in prepaid expenses	<u>(28,473)</u>	<u>15,624</u>
Cash provided by operating transactions	<u>2,808,847</u>	<u>2,322,698</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	2,808,847	2,322,698
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,888,309</u>	<u>3,565,611</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 8,697,156</u>	<u>\$ 5,888,309</u>

See the accompanying notes and schedules.

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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 3, 1989. Its purpose is to administer and maintain the standards of educational programs defined under the Act in the member communities of the Beaufort-Delta region.

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

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

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

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

(b) Cash and Cash Equivalents

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

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 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.

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES, *continued*

(f) Revenue Recognition

Government Transfers:

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

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

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

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

GNWT - Regular contributions:

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

Other contributions:

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

Stallworthy / Carpenter Endowment contributions:

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

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 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 payable to the GNWT. Net deficits are not shown as receivable from the GNWT since these amounts are not repayable.

(h) Budget Data

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

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

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

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

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

(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 those estimates.

(j) Inventories including Materials and Supplies

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

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES, continued

(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 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.

(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 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 Beaufort-Delta Education Council and other criteria as outlined in the negotiated collective agreements and management handbook guidelines of the GNWT.

(m) 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.

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 3 FUTURE ACCOUNTING CHANGES

In March 2015, the Public Sector Accounting Board (PSAB) issued Section PS 3420, "Inter-entity transactions". This new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new Section are:

- under a policy of cost allocation, revenues and expenses are recognized on a gross basis;
- transactions are measured at their carrying amount, except in special circumstances;
- a recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice, and
- the transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Beaufort-Delta Education Council is currently assessing the impact of this Section.

In March 2015, the Public Sector Accounting Board (PSAB) issued Section PS 2200, "Related party disclosures". This new Section defines a related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material effect on the consolidated financial statements. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Beaufort-Delta Education Council is currently assessing the impact of this Section.

NOTE 4 CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
Cash	\$ <u>8,697,156</u>	\$ <u>5,888,309</u>
	\$ <u>8,697,156</u>	\$ <u>5,888,309</u>

NOTE 5 SPECIAL PURPOSE FUNDS

(Not applicable)

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 6 RESTRICTED ASSETS

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

		<u>2015</u>	<u>2014</u>
Comprised of:			
Short-term	- GIC 0.95% due June 22, 2018	\$ 250,000	\$ 250,000
	- Due from general cash	<u>8,247</u>	<u>7,553</u>
		<u>\$ 258,247</u>	<u>\$ 257,553</u>
Stallworthy / Carpenter Endowment Fund: (Note 21)			
	Principal proceeds received	\$ 216,515	\$ 216,515
	Interest earned to date	255,645	252,452
	Expenses to date	<u>(213,913)</u>	<u>(211,414)</u>
		<u>\$ 258,247</u>	<u>\$ 257,553</u>

NOTE 7 PORTFOLIO INVESTMENTS

(Not applicable)

NOTE 8 ACCOUNTS RECEIVABLE

	<u>Accounts</u> <u>Receivable</u>	<u>Allowance</u>	<u>2015</u>	<u>2014</u>
Government of the Northwest Territories:				
- Education, Culture and Employment	\$ 29,910	\$ -	\$ 29,910	\$ 98,489
- Health and Social Services	4,466	-	4,466	10,344
- Municipal and Community Affairs	4,630	-	4,630	5,752
- Industry, Tourism and Investment	-	-	-	22,000
- Justice	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Due from GNWT	39,006	-	39,006	141,585
Other Accounts receivable	406,477	75,348	331,129	425,251
Chief Julius School	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,647</u>
	<u>\$ 445,483</u>	<u>\$ 75,348</u>	<u>\$ 370,135</u>	<u>\$ 585,483</u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 9 INVENTORY

(Not applicable)

NOTE 10 ACCOUNTS PAYABLE

	<u>2015</u>	<u>2014</u>
Government of the Northwest Territories:		
Education, Culture and Employment	\$ 41,106	\$ -
Municipal and Community Affairs	7,066	18,585
Finance	19,086	-
Taxation	1,742	-
Justice	3,592	-
Aurora College	-	330
Human Resources	-	1,500
Industry, Tourism and Investment	25,119	2,245
Public Works	<u>2,674</u>	<u>669</u>
Due to GNWT	100,385	23,329
Various BDEC schools	301,738	377,108
Accounts payable	40,066	32,674
Accrued payables	<u>244,270</u>	<u>327,917</u>
	<u>\$ 686,459</u>	<u>\$ 761,028</u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 11 DEFERRED REVENUE

	<u>2015</u>	<u>2014</u>
Education, Culture & Employment		
- HKS Playground	\$ 20,000	\$ -
- HKS Kitchen Upgrade	19,800	-
- E3E Playground	50,000	-
- NGDG	6,641	-
- Healthy Food for Learning	104,130	-
- Safe and Caring Schools	2,160	-
-	-	115,272
Justice		
- New Beginnings - Inuvik DEA	5,159	8,751
Library		
- School & Public Library Services - Ft. McPherson DEA	9,979	-
- Library - Ulukhaktok DEA	14,280	57,285
Healthy and Social Services		
- Drop the Pop	7,153	4,500
Municipal & Community Affairs		
- Ivvavik	<u>5,155</u>	<u>5,155</u>
Government of the Northwest Territories	244,457	190,963
Health Canada - Community Oral Health initiative	1,197	-
Inuvik Community Corporation	12,350	800
Aklavik Community Corporation	804	1,725
Paulatuk Community Corporation	-	4,674
Hamlet of Sachs Harbour	1,500	1,500
Inuvialuit Regional Corporation	14,163	27,620
Food First Foundation	-	1,690
NWT Literacy Council	1,900	-
Show Kids You Care	2,400	-
E3E Breakfast	<u>5,000</u>	<u>-</u>
	<u>\$ 283,771</u>	<u>\$ 228,972</u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 12 CONTRIBUTION REPAYABLE

	<u>2015</u>	<u>2014</u>
Education, Culture & Employment		
- Infrastructure 2013/14	-	94,559
- Library Services - Aklavik DEA	-	10,981
Municipal & Community Affairs		
- Employee Secondment	<u>122,532</u>	<u>-</u>
	<u><u>122,532</u></u>	<u><u>105,540</u></u>

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

Under conditions of employment, employees qualify for retirement and severance remuneration based on the number of years of service. some employees also qualify for annual leave. certain employees will also receive assistance with removal costs to return to their point of recruitment. annual leave is payable within one fiscal year; payment of other amounts is dependent upon employees leaving the government.

	<u>2015</u>	<u>2014</u>
Annual leave and lieu time	\$ 98,421	\$ 122,987
Retirement and resignation benefits	1,170,586	1,165,391
Ultimate removal assistance	<u>1,009,670</u>	<u>997,074</u>
	<u><u>\$ 2,278,677</u></u>	<u><u>\$ 2,285,452</u></u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 18 TRUST ASSETS UNDER ADMINISTRATION

(Not applicable)

NOTE 19 TANGIBLE CAPITAL ASSETS

(Not applicable)

NOTE 20 PREPAID EXPENSES

	<u>2015</u>	<u>2014</u>
Air North	4,195	-
First Air	1,661	-
Alberta Assessment Consortium	1,100	1,100
Career Cruising	998	-
Studentlink Canada Ltd.	250	-
Cleaning supplies - Inuvik schools	21,009	-
WSCC overpayment - Tuk DEA	722	-
Bingo licensing and rental - Tuk DEA	1,087	725
PD Pro's Ltd.	-	499
Central Professional Development	-	225
	<u>31,022</u>	<u>2,549</u>

NOTE 21 ACCUMULATED SURPLUS/DEFICIT

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

NOTE 22 CAPITAL ADVANCES

(Not applicable)

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 23 GNWT ASSETS PROVIDED AT NO COST

	<u>Cost</u>	<u>Accumulated Amortization</u>	2015 <u>Net Book Value</u>	2014 <u>Net Book Value</u>
BBDEC Student Housing				
Inuvik	\$ 182,650	\$ 182,650	\$ -	\$ -
East Three Secondary School Carpentry shop	461,563	461,563	-	-
East Three Secondary School Auto Shop	541,689	437,549	104,140	119,569
Moose Kerr School	7,930,856	4,558,565	3,372,291	3,617,549
Aklavik Portable Classrooms	62,052	62,052	-	-
Chief Julius School	9,146,834	4,127,574	5,019,260	5,245,190
Mangilaluk School	7,146,891	4,066,050	3,080,841	3,282,268
Inualthuyak School	2,298,578	1,010,492	1,288,086	1,335,887
Helen Kalvak School	8,864,887	5,956,416	2,908,471	3,206,775
Angik School	3,370,004	1,761,787	1,608,217	1,710,326
Chief Paul Niddchie School	2,467,761	627,922	1,839,839	1,882,679
Moose Kerr Foundation Replacement	753,546	80,101	673,445	692,283
Tsiigehtchic Gym	1	-	1	1
Moose Kerr School - Ventilation	173,505	33,574	139,931	151,512
Angik School Retrofit	123,278	25,721	97,557	107,562
Helen Kalvak School Vent & DDC Retrofit	354,896	66,543	288,353	317,928
East Three New Inuvik School	106,182,229	7,520,338	98,661,891	101,232,591
Tsiigehtchic Gym Pilings	205,668	10,712	194,956	195,384
Aklavik Community Library	<u>234,794</u>	<u>92,456</u>	<u>142,338</u>	<u>148,208</u>
	<u>\$150,501,682</u>	<u>\$ 31,082,065</u>	<u>\$119,419,617</u>	<u>\$123,245,712</u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 24 CONTRACTUAL OBLIGATIONS

The Council has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2015:

	<u>Expires in Fiscal Year:</u>	<u>2016</u>	<u>2017-2021</u>	<u>Total</u>
Commercial Leases	2020	\$ 146,100	\$ 511,349	\$ 657,449
Equipment Leases	2021	<u>59,507</u>	<u>153,207</u>	<u>212,714</u>
Total		<u>\$ 205,607</u>	<u>\$ 664,556</u>	<u>\$ 870,163</u>

Estimated lease payments are as follows:

2016	\$ 205,607
2017	201,987
2018	196,043
2019	177,592
2020	85,574
Subsequent years	<u>3,360</u>
	<u>\$ 870,163</u>

NOTE 25 CONTINGENCIES

(Not applicable)

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 26 RELATED PARTY TRANSACTIONS

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

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

	<u>2015</u>	<u>2014</u>
<u>Accounts receivable:</u>		
Department of Education, Culture & Employment	\$ 29,910	\$ 98,489
Department of Health and Social Services	4,466	10,344
Department of Municipal & Community Affairs	4,630	5,752
Department of Industry, Tourism and Investment	-	22,000
Department of Justice	-	5,000
Chief Julius School, Ft. McPherson	\$ -	\$ 18,647
	<u>39,006</u>	<u>160,232</u>
<u>Accounts payable:</u>		
Aurora College	\$ -	\$ 330
Department of Education, Culture & Employment	41,106	-
Department of Municipal & Community Affairs	7,066	18,585
Department of Finance	19,086	-
Department of Taxation	1,742	-
Department of Justice	3,592	-
Department of Industry, Tourism and Investment	25,119	2,245
Department of Human Resources	-	1,500
Department of Public Works	2,674	669
Various BDEC Schools	\$ 301,738	\$ 377,108
	<u>402,123</u>	<u>400,437</u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 27 BUDGET DATA

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget as outlined in Section 117, Duties and Powers of Education Bodies. The budget is legally adopted by a motion of the Beaufort-Delta Education Council which may or may not include the establishment of a tax levy to support the approved budget in accordance with Section 135, Assessment and Taxation, of the Education Act.

The annual budget includes estimates of revenue and expenses for the Operating fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Beaufort-Delta Education Council.

The budget figures presented are those approved by the Minister of Education, Culture and Employment on June 4, 2014 and have not been audited.

NOTE 28 ECONOMIC DEPENDENCE

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

NOTE 29 FINANCIAL INSTRUMENTS

The Council's financial instruments consist of cash and temporary investments, accounts receivable, due from GNWT, accounts payable and accrued liabilities, accrued payroll, leave and termination benefits and due to GNWT. 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 consolidated financial statements.

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

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

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

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 30 EXPENSES BY OBJECT

	2015 Budget <u>(Unaudited)</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
Compensation	\$ 20,001,945	\$ 22,107,426	\$ 22,551,922
Other	<u>8,433,565</u>	<u>6,659,534</u>	<u>6,936,474</u>
	\$ <u><u>28,435,510</u></u>	\$ <u><u>28,766,960</u></u>	\$ <u><u>29,488,396</u></u>

NOTE 31 SUBSEQUENT EVENTS

(Not applicable)

NOTE 32 COMPARATIVE FIGURES

(Not applicable)

NOTE 33 ECE OTHER CONTRIBUTIONS

	<u>2015</u>
French Program	\$ 90,000
eLearning	460,000
TLC - Gwichin	39,000
TLC - Inuvialuit	39,000
School's O & M Surplus Carryforward	4,871
HKS Kitchen	33,700
Library Operations	58,762
Self Regulation & Action Research	12,000
NWT Literacy Program (Aklavik)	13,656
Library (Aklavik)	51,694
Public Library Services (Ft McPherson)	50,302
Community Literacy Projects (Ft McPherson)	15,000
Literacy (Ulukhaktok)	10,698
Library (Ulukhaktok)	<u>44,807</u>
	\$ <u><u>923,490</u></u>

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 34 GNWT OTHER CONTRIBUTIONS

	<u>2015</u>
Others (Finance)	14,130
Skills Power up (MACA)	4,630
Community Kitchen	8,966
YELS (MACA)	30,000
RYS - Basketball (MACA)	16,670
RYS - Soccer (MACA)	2,665
NGDG Summit (MACA)	37,000
RYS - Volleyball (MACA)	2,665
GNWT - RYS Hockey (MACA)	4,000
Drop the Pop (H & SS)	12,693
Take a Kid Trapping (ITI)	11,050
Talk a Kid Hunting (ITI)	7,000
GNWT - Others	898
After School Physical Activity (MACA)	135,522
HKS Resiliency (YK Catholic School)	41,940
4 Pillars - MKS & CJS (YK Catholic School)	47,854
Take a Kid Trapping (ITI)	21,150
Talk a Kid Hunting (ITI)	30,229
Keepers (MACA)	19,248
GNWT - Others	382
NWT Literacy Council (Ft McPherson)	4,100
Misc revenue (Ulukhaktok)	<u>1,393</u>
	<u><u>454,185</u></u>

NOTE 35 PAYROLL LIABILITIES

	<u>2015</u>
NWTTA	2,799,112
UNW School Year	646,826
Other June 30	<u>77,693</u>
	<u><u>3,523,631</u></u>

NOTE 36 STATEMENT OF REMEASUREMENT GAINS AND LOSSES

(Not applicable)

BEAUFORT-DELTA EDUCATION COUNCIL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

NOTE 37 **RESTATEMENTS**

The Stallworthy/Carpenter Fund is an Endowment Fund in Accumulated Surplus / (Deficit). Previously, the Council recorded this fund as a Trust Liability.

Consequently, the prior year's figures have been restated as if the Stallworthy/Carpenter Fund had always been recorded as an Endowment Fund. The amount of the adjustment as a result of the correction is a decrease in the Trust Liability at June 30, 2015 of \$258,246 (2014 - \$257,553) and an increase in the Accumulated Surplus / (Deficit) at June 30, 2015 of \$258,246 (2014 - \$257,553).

NOTE 38 **OTHER REVENUE**

	<u>2015</u>
NWTTA SSI	87,039
Partnerships - eLearning	60,000
NGDG Summit	31,209
Breakfast for Learning eLearning	66,749
Inuvialuit Indicators	115,000
IRC - Tobacco Free	150,000
Other less than 20K	29,000
Other Contributions (Aklavik DEA)	94,537
Other less than 20K (Aklavik DEA)	23,203
TGC - Social Skills Program (Ft. McPherson DEA)	24,963
Other less than 20K (Ft. McPherson DEA)	105,000
Inuvik Community Corporation (Inuvik DEA)	12,657
Facility Use (Inuvik DEA)	57,201
Other less than 20K (Inuvik DEA)	27,037
Other less than 20K (Paulatuk DEA)	6,669
Donations (Tsiigehtchic DEA)	20,766
Bings (Tuktoyaktuk DEA)	2,500
Brighter Futures (Tuktoyaktuk DEA)	26,361
Other less than 20K (Tuktoyaktuk DEA)	20,627
Other less than 20K (Ulukhaktok DEA)	8,801
	<u>25,591</u>
	<u><u>994,910</u></u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 1

CONSOLIDATED DETAILS OF EXPENSES

For the Year Ended June 30, 2015

	<u>School</u>	<u>Inclusive</u>	<u>Student</u>	<u>Operations &</u>	<u>Administration</u>	<u>Aboriginal</u>	<u>2015</u>
	<u>Programs</u>	<u>Schooling</u>	<u>Accommodations</u>	<u>Maintenance</u>		<u>Languages</u>	
SALARIES:							
Teachers	\$ 11,213,673	\$ 722,868	\$ -	\$ -	\$ -	\$ 984,613	\$ 12,921,154
Instruction Assistants	142,344	-	-	-	-	95,850	238,194
Non-instructional Staff	1,839,236	1,703,844	-	-	1,283,488	266,453	5,093,021
Board/Trustee Honoraria	2,520	-	-	-	82,525	72,915	157,960
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	4,405,933	960,252	-	110,023	392,381	310,761	6,179,350
Leave and Termination	271,554	-	-	-	14,722	-	286,276
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	165,137	-	-	97,534	-	262,671
Postage/Communication	92,371	-	1,442	-	34,929	-	128,742
Utilities & Leases	1,104	3,202	-	-	2,999	-	7,305
Travel	85,880	20,694	-	-	131,272	76,757	314,603
Student Travel	116,869	4,770	131,242	-	-	30,280	283,161
Advertising/Printing/Publishing	-	-	128	-	6,889	-	7,017
Maintenance/Repair	37,771	-	-	-	6,769	15,895	60,435
Rentals/Leases	101,121	34,647	-	141,624	17,207	25,900	320,499
Others	55,024	-	-	461,427	71,670	8,761	596,882
Contracted Services	135,792	180,563	-	-	6,809	212,805	535,969
MATERIALS/SUPPLIES/FREIGHT							
Materials	741,794	79,233	2,238	-	91,214	138,805	1,053,284
Furniture and Equipment	113,898	78,931	-	-	53,798	-	246,627
Freight	<u>51,909</u>	<u>12,169</u>	<u>-</u>	<u>-</u>	<u>8,070</u>	<u>1,662</u>	<u>73,810</u>
CONTRIBUTIONS/TRANSFERS							
Total	<u>\$ 19,408,793</u>	<u>\$ 3,966,310</u>	<u>\$ 135,050</u>	<u>\$ 713,074</u>	<u>\$ 2,302,276</u>	<u>\$ 2,241,457</u>	<u>\$ 28,766,960</u>

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 25,044	\$ 43,313
Due from Related Parties	24,030	-
Accounts Receivable	<u>14,149</u>	<u>25,984</u>
	<u>63,223</u>	<u>69,297</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	1,293	3,216
Due to Related Parties	960	20,866
Payroll Liabilities	1,165	11,278
Contribution Repayable	-	10,981
Deferred Revenue	<u>804</u>	<u>14,048</u>
	<u>4,222</u>	<u>60,389</u>
ACCUMULATED SURPLUS	<u>\$ 59,001</u>	<u>\$ 8,908</u>

AKLAVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 130,514	\$ 74,294	\$ 82,421
Other ECE contributions	51,800	65,350	-
Other contributions	-	-	41,955
Government of Canada	-	50,988	231,538
Other	<u>17,000</u>	<u>48,166</u>	<u>52,476</u>
TOTAL REVENUE	<u>199,314</u>	<u>238,798</u>	<u>408,390</u>
EXPENSES			
Administration	47,344	15,909	71,357
School Programs	60,800	78,939	63,346
Inclusive Schooling	55,260	-	8,992
Aboriginal Languages/Cultural Programs	<u>35,910</u>	<u>93,856</u>	<u>263,290</u>
TOTAL EXPENSES	<u>199,314</u>	<u>188,704</u>	<u>406,985</u>
OPERATING SURPLUS	-	50,094	1,405
OPENING ACCUMULATED SURPLUS	<u>8,905</u>	<u>8,905</u>	<u>7,500</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 8,905</u>	<u>\$ 58,999</u>	<u>\$ 8,905</u>

AKLAVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School</u> <u>Programs</u>	<u>Administration</u>	<u>Aboriginal</u> <u>Languages</u>	<u>2015</u>
SALARIES:				
Instruction Assistants	\$ -	\$ -	\$ 46,905	\$ 46,905
Non-instructional Staff	56,284	-	9,296	65,580
Board/Trustee Honoraria	500	4,925	4,500	9,925
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	2,286	2,286	6,857	11,429
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	963	-	963
Travel	-	113	5,023	5,136
Others	100	2,122	-	2,222
Contracted Services	-	-	5,124	5,124
MATERIALS/SUPPLIES/FREIGHT				
Materials	14,144	5,500	16,151	35,795
Furniture and Equipment	5,107	-	-	5,107
Freight	518	-	-	518
Total	<u>\$ 78,939</u>	<u>\$ 15,909</u>	<u>\$ 93,856</u>	<u>\$ 188,704</u>

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 14,538	\$ 26,272
Due from Related Parties	34,165	24,382
Accounts Receivable	<u>4,540</u>	<u>22,996</u>
	<u>53,243</u>	<u>73,650</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	19,414	11,716
Payroll Liabilities	2,380	5,189
Deferred Revenue	<u>11,879</u>	<u>21,981</u>
	<u>33,673</u>	<u>38,886</u>
ACCUMULATED SURPLUS	<u>\$ 19,570</u>	<u>\$ 34,764</u>

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 132,251	\$ 156,525	\$ 153,100
Other ECE contributions	53,300	65,302	-
Other contributions	-	4,100	41,071
Government of Canada	-	-	176,387
Other	<u>12,000</u>	<u>117,657</u>	<u>98,068</u>
TOTAL REVENUE	<u>197,551</u>	<u>343,584</u>	<u>468,626</u>
EXPENSES			
Administration	55,161	69,768	84,738
School Programs	53,950	131,214	107,384
Inclusive Schooling	55,260	21,906	32,555
Aboriginal Languages/Cultural Programs	<u>33,180</u>	<u>135,890</u>	<u>255,948</u>
TOTAL EXPENSES	<u>197,551</u>	<u>358,778</u>	<u>480,625</u>
OPERATING DEFICIT	-	(15,194)	(11,999)
OPENING ACCUMULATED SURPLUS	<u>34,759</u>	<u>34,759</u>	<u>46,758</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 34,759</u>	<u>\$ 19,565</u>	<u>\$ 34,759</u>

FT MCPHERSON DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School</u>	<u>Inclusive</u>	<u>Administration</u>	<u>Aboriginal</u>	<u>2015</u>
	<u>Programs</u>	<u>Schooling</u>	<u>Administration</u>	<u>Languages</u>	<u>2015</u>
SALARIES:					
Instruction Assistants	\$ 115,830	\$ -	\$ -	\$ -	\$ 115,830
Non-instructional Staff	-	-	36,484	81,119	117,603
Board/Trustee Honoraria	-	-	6,200	19,135	25,335
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	4,267	-	2,561	10,241	17,069
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Postage/Communication	-	-	826	-	826
Student Travel	2,179	-	-	200	2,379
Rentals/Leases	-	13,577	-	5,350	18,927
Others	-	-	3,954	-	3,954
Contracted Services	-	-	-	1,769	1,769
MATERIALS/SUPPLIES/FREIGHT					
Materials	8,702	8,329	19,743	18,076	54,850
Freight	236	-	-	-	236
Total	<u>\$ 131,214</u>	<u>\$ 21,906</u>	<u>\$ 69,768</u>	<u>\$ 135,890</u>	<u>\$ 358,778</u>

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 77,133	\$ 100,970
Due from Related Parties	95,255	14,129
Accounts Receivable	<u>2,000</u>	<u>3,460</u>
	<u>174,388</u>	<u>118,559</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	12,138	49,709
Due to Related Parties	15,517	-
Payroll Liabilities	9,356	965
Deferred Revenue	<u>5,509</u>	<u>5,959</u>
	<u>42,520</u>	<u>56,633</u>
ACCUMULATED SURPLUS	<u>\$ 131,868</u>	<u>\$ 61,926</u>

INUVIK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 244,179	\$ 305,235	\$ 241,290
Investment Income	-	-	85
Other	<u>117,360</u>	<u>90,907</u>	<u>82,543</u>
TOTAL REVENUE	<u>361,539</u>	<u>396,142</u>	<u>323,918</u>
EXPENSES			
Administration	121,258	98,820	142,003
School Programs	82,510	52,573	76,257
Inclusive Schooling	-	72,313	-
Aboriginal Languages/Cultural Programs	<u>157,771</u>	<u>102,494</u>	<u>116,099</u>
TOTAL EXPENSES	<u>361,539</u>	<u>326,200</u>	<u>334,359</u>
OPERATING SURPLUS	-	69,942	(10,441)
OPENING ACCUMULATED SURPLUS	<u>61,927</u>	<u>61,927</u>	<u>72,368</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 61,927</u>	<u>\$ 131,869</u>	<u>\$ 61,927</u>

INUVIK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School Programs</u>	<u>Inclusive Schooling</u>	<u>Administration</u>	<u>Aboriginal Languages</u>	<u>2015</u>
SALARIES:					
Instruction Assistants	\$ -	\$ -	\$ -	\$ 47,815	\$ 47,815
Non-instructional Staff	19,085	1,695	71,882	22,055	114,717
Board/Trustee Honoraria	-	-	9,475	-	9,475
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	1,342	-	4,543	4,441	10,326
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Postage/Communication	-	-	53	-	53
Utilities & Leases	1,104	738	2,999	-	4,841
Travel	-	-	-	2,500	2,500
Student Travel	980	-	-	-	980
Advertising/Printing/Publishing	-	-	2,000	-	2,000
Rentals/Leases	14,730	5,670	-	-	20,400
Others	500	-	1,331	330	2,161
Contracted Services	11,898	7,141	-	15,000	34,039
MATERIALS/SUPPLIES/FREIGHT					
Materials	2,934	-	6,537	10,353	19,824
Furniture and Equipment	-	57,069	-	-	57,069
Total	<u>\$ 52,573</u>	<u>\$ 72,313</u>	<u>\$ 98,820</u>	<u>\$ 102,494</u>	<u>\$ 326,200</u>

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 4,878	\$ 6,913
Due from Related Parties	<u>12,028</u>	<u>3,510</u>
	<u>16,906</u>	<u>10,423</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	4,000	-
Due to Related Parties	7,816	7,700
Payroll Liabilities	1,313	1,464
Deferred Revenue	<u>3,545</u>	<u>4,674</u>
	<u>16,674</u>	<u>13,838</u>
ACCUMULATED SURPLUS (DEFICIT)	<u>\$ 232</u>	<u>\$ (3,415)</u>

PAULATUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 39,948	\$ 39,832	\$ 37,113
Other	<u>14,500</u>	<u>20,766</u>	<u>15,174</u>
TOTAL REVENUE	<u>54,448</u>	<u>60,598</u>	<u>52,287</u>
EXPENSES			
Administration	24,358	22,740	31,095
School Programs	13,700	22,708	30,535
Aboriginal Languages/Cultural Programs	<u>16,390</u>	<u>11,505</u>	<u>2,463</u>
TOTAL EXPENSES	<u>54,448</u>	<u>56,953</u>	<u>64,093</u>
OPERATING SURPLUS	-	3,645	(11,806)
OPENING ACCUMULATED DEFICIT	<u>(3,412)</u>	<u>(3,412)</u>	<u>8,394</u>
CLOSING ACCUMULATED SURPLUS (DEFICIT)	<u><u>\$ (3,412)</u></u>	<u><u>\$ 233</u></u>	<u><u>\$ (3,412)</u></u>

PAULATUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School Programs</u>	<u>Administration</u>	<u>Aboriginal Languages</u>	<u>2015</u>
SALARIES:				
Non-instructional Staff	\$ 8,050	\$ 10,890	\$ 10,000	\$ 28,940
Board/Trustee Honoraria	-	7,725	375	8,100
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	680	700	680	2,060
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	1,751	-	1,751
Student Travel	675	-	-	675
Others	-	549	250	799
Contracted Services	8,000	-	-	8,000
MATERIALS/SUPPLIES/FREIGHT				
Materials	<u>5,303</u>	<u>1,125</u>	<u>200</u>	<u>6,628</u>
Total	<u>\$ 22,708</u>	<u>\$ 22,740</u>	<u>\$ 11,505</u>	<u>\$ 56,953</u>

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION

For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 20,719	\$ 4,113
Due from Related Parties	<u>46,210</u>	<u>50,397</u>
	<u>66,929</u>	<u>54,510</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	-	574
Due to Related Parties	11,160	5,500
Payroll Liabilities	48	20
Deferred Revenue	<u>1,500</u>	<u>1,500</u>
	<u>12,708</u>	<u>7,594</u>
ACCUMULATED SURPLUS	<u>\$ 54,221</u>	<u>\$ 46,916</u>

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 29,576	\$ 23,416	\$ 26,823
Rentals	<u>-</u>	<u>-</u>	<u>1,800</u>
TOTAL REVENUE	<u>29,576</u>	<u>23,416</u>	<u>28,623</u>
EXPENSES			
Administration	4,176	3,401	1,723
School Programs	16,450	12,710	19,803
Aboriginal Languages/Cultural Programs	<u>8,950</u>	<u>-</u>	<u>300</u>
TOTAL EXPENSES	<u>29,576</u>	<u>16,111</u>	<u>21,826</u>
OPERATING SURPLUS	-	7,305	6,797
OPENING ACCUMULATED SURPLUS	<u>46,917</u>	<u>46,917</u>	<u>40,120</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 46,917</u>	<u>\$ 54,222</u>	<u>\$ 46,917</u>

SACHS HARBOUR DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School Programs</u>	<u>Administration</u>	<u>2015</u>
SALARIES:			
Non-instructional Staff	\$ -	\$ 1,650	\$ 1,650
Board/Trustee Honoraria	-	1,400	1,400
EMPLOYEE BENEFITS			
Employee Benefit/Allowance	-	88	88
SERVICES PURCHASED/ CONTRACTED			
Professional/Technical Services	-	-	-
Others	-	63	63
Contracted Services	12,000	-	12,000
MATERIALS/SUPPLIES/FREIGHT			
Materials	<u>710</u>	<u>200</u>	<u>910</u>
Total	<u>\$ 12,710</u>	<u>\$ 3,401</u>	<u>\$ 16,111</u>

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 44,402	\$ 56,883
Due from Related Parties	93,398	76,053
Accounts Receivable	<u>5,200</u>	<u>-</u>
	<u>143,000</u>	<u>132,936</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	8,882	1,455
Due to Related Parties	7,047	4,024
Payroll Liabilities	<u>986</u>	<u>1,489</u>
	<u>16,915</u>	<u>6,968</u>
ACCUMULATED SURPLUS	<u>\$ 126,085</u>	<u>\$ 125,968</u>

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 25,690	\$ 22,666	\$ 25,166
Rentals	3,200	12,150	15,100
Other	<u>-</u>	<u>2,500</u>	<u>-</u>
TOTAL REVENUE	<u>28,890</u>	<u>37,316</u>	<u>40,266</u>
EXPENSES			
Administration	7,400	18,225	6,201
School Programs	9,200	14,923	2,641
Aboriginal Languages/Cultural Programs	<u>12,290</u>	<u>4,054</u>	<u>7,702</u>
TOTAL EXPENSES	<u>28,890</u>	<u>37,202</u>	<u>16,544</u>
OPERATING SURPLUS	-	114	23,722
OPENING ACCUMULATED SURPLUS	<u>125,966</u>	<u>125,966</u>	<u>102,244</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 125,966</u>	<u>\$ 126,080</u>	<u>\$ 125,966</u>

TSIIGEHTCHIC DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School Programs</u>	<u>Administration</u>	<u>Aboriginal Languages</u>	<u>2015</u>
SALARIES:				
Instruction Assistants	\$ -	\$ -	\$ 1,130	\$ 1,130
Non-instructional Staff	-	6,013	-	6,013
Board/Trustee Honoraria	-	3,950	-	3,950
EMPLOYEE BENEFITS				
Employee Benefit/Allowance	-	407	-	407
SERVICES PURCHASED/ CONTRACTED				
Professional/Technical Services	-	-	-	-
Postage/Communication	-	53	-	53
Student Travel	7,690	-	-	7,690
Others	4,733	3,104	2,924	10,761
MATERIALS/SUPPLIES/FREIGHT				
Materials	2,500	1,453	-	3,953
Furniture and Equipment	-	3,245	-	3,245
Total	<u>\$ 14,923</u>	<u>\$ 18,225</u>	<u>\$ 4,054</u>	<u>\$ 37,202</u>

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION

For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 7,117	\$ 24,826
Due from Related Parties	20,288	6,116
Accounts Receivable	<u>47</u>	<u>300</u>
	<u>27,452</u>	<u>31,242</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	24,461	17,207
Due to Related Parties	2,396	-
Payroll Liabilities	3,168	3,498
Deferred Revenue	<u>6,197</u>	<u>-</u>
	<u>36,222</u>	<u>20,705</u>
NET FINANCIAL RESOURCES (DEBT)	<u>(8,770)</u>	<u>10,537</u>
NON-FINANCIAL ASSETS		
Prepaid Expenses	<u>1,810</u>	<u>725</u>
ACCUMULATED SURPLUS (DEFICIT)	<u><u>\$ (6,960)</u></u>	<u><u>\$ 11,262</u></u>

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 149,178	\$ 116,822	\$ 84,896
Government of Canada	29,000	28,602	25,135
Other	<u>46,000</u>	<u>55,788</u>	<u>71,625</u>
TOTAL REVENUE	<u>224,178</u>	<u>201,212</u>	<u>181,656</u>
EXPENSES			
Administration	41,650	46,450	53,480
School Programs	88,896	116,580	97,988
Inclusive Schooling	55,260	26,624	-
Aboriginal Languages/Cultural Programs	<u>38,372</u>	<u>29,783</u>	<u>32,791</u>
TOTAL EXPENSES	<u>224,178</u>	<u>219,437</u>	<u>184,259</u>
OPERATING DEFICIT	-	(18,225)	(2,603)
OPENING ACCUMULATED SURPLUS	<u>11,262</u>	<u>11,262</u>	<u>13,865</u>
CLOSING ACCUMULATED SURPLUS (DEFICIT)	<u>\$ 11,262</u>	<u>\$ (6,963)</u>	<u>\$ 11,262</u>

TUKTOYAKTUK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School</u> <u>Programs</u>	<u>Inclusive</u> <u>Schooling</u>	<u>Administration</u>	<u>Aboriginal</u> <u>Languages</u>	<u>2015</u>
SALARIES:					
Non-instructional Staff	\$ 22,220	\$ -	\$ 23,329	\$ -	\$ 45,549
Board/Trustee Honoraria	-	-	5,775	7,575	13,350
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	1,706	-	3,285	-	4,991
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Postage/Communication	-	-	20	-	20
Utilities & Leases	-	2,464	-	-	2,464
Travel	-	-	273	1,054	1,327
Rentals/Leases	-	15,400	3,923	750	20,073
Others	980	-	3,282	-	4,262
Contracted Services	35,066	8,760	350	12,368	56,544
MATERIALS/SUPPLIES/FREIGHT					
Materials	45,339	-	5,411	7,786	58,536
Furniture and Equipment	8,797	-	-	-	8,797
Freight	2,472	-	802	250	3,524
Total	<u>\$ 116,580</u>	<u>\$ 26,624</u>	<u>\$ 46,450</u>	<u>\$ 29,783</u>	<u>\$ 219,437</u>

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 35,956	\$ 52,580
Due from Related Parties	10,911	4,283
Accounts Receivable	<u>400</u>	<u>550</u>
	<u>47,267</u>	<u>57,413</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	250	250
Payroll Liabilities	1,015	953
Deferred Revenue	<u>17,177</u>	<u>22,980</u>
	<u>18,442</u>	<u>24,183</u>
ACCUMULATED SURPLUS	<u>\$ 28,825</u>	<u>\$ 33,230</u>

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Contributions from Divisional Council	\$ 72,087	\$ 72,087	\$ 55,953
Other ECE contributions	50,227	55,505	-
Other contributions	-	1,393	51,241
Rentals	-	-	5,000
Other	<u>24,799</u>	<u>25,592</u>	<u>20,568</u>
TOTAL REVENUE	<u>147,113</u>	<u>154,577</u>	<u>132,762</u>
EXPENSES			
Administration	17,010	28,698	25,794
School Programs	72,660	90,642	89,184
Inclusive Schooling	16,050	16,054	-
Aboriginal Languages/Cultural Programs	<u>41,393</u>	<u>23,589</u>	<u>26,587</u>
TOTAL EXPENSES	<u>147,113</u>	<u>158,983</u>	<u>141,565</u>
OPERATING DEFICIT	-	(4,406)	(8,803)
OPENING ACCUMULATED SURPLUS	<u>33,225</u>	<u>33,225</u>	<u>42,028</u>
CLOSING ACCUMULATED SURPLUS	<u>\$ 33,225</u>	<u>\$ 28,819</u>	<u>\$ 33,225</u>

ULUKHAKTOK DISTRICT EDUCATION AUTHORITY
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School</u> <u>Programs</u>	<u>Inclusive</u> <u>Schooling</u>	<u>Administration</u>	<u>Aboriginal</u> <u>Languages</u>	<u>2015</u>
SALARIES:					
Teachers	\$ 8,825	\$ -	\$ -	\$ -	\$ 8,825
Non-instructional Staff	41,720	16,054	3,796	17,319	78,889
Board/Trustee Honoraria	1,430	-	13,175	1,950	16,555
EMPLOYEE BENEFITS					
Employee Benefit/Allowance	-	-	4,783	-	4,783
SERVICES PURCHASED/ CONTRACTED					
Professional/Technical Services	-	-	-	-	-
Travel	-	-	1,959	-	1,959
Student Travel	11,194	-	-	-	11,194
Maintenance/Repair	-	-	302	-	302
Others	608	-	4,668	-	5,276
MATERIALS/SUPPLIES/FREIGHT					
Materials	<u>26,865</u>	<u>-</u>	<u>15</u>	<u>4,320</u>	<u>31,200</u>
Total	<u>\$ 90,642</u>	<u>\$ 16,054</u>	<u>\$ 28,698</u>	<u>\$ 23,589</u>	<u>\$ 158,983</u>

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 8,467,369	\$ 5,572,439
Accounts Receivable	343,798	532,192
Restricted Assets	<u>258,247</u>	<u>257,553</u>
	<u>9,069,414</u>	<u>6,362,184</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities	616,021	676,217
Due to Related Parties	291,389	140,780
Payroll Liabilities	3,504,200	2,809,151
Contribution Repayable	122,532	94,559
Employee Deductions Payable	37,343	36,083
Deferred Revenue	237,160	157,830
Post-Employment Benefits	<u>2,278,677</u>	<u>2,285,452</u>
	<u>7,087,322</u>	<u>6,200,072</u>
NET FINANCIAL RESOURCES	<u>1,982,092</u>	<u>162,112</u>
NON-FINANCIAL ASSETS		
Prepaid Expenses	<u>29,212</u>	<u>1,824</u>
ACCUMULATED SURPLUS	<u>\$ 2,011,304</u>	<u>\$ 163,936</u>

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
STATEMENT OF FINANCIAL OPERATIONS
For the Year Ended June 30, 2015

	2015 Budget (Unaudited)	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUE			
Government of the NWT			
Regular contributions	\$ 27,511,554	\$ 28,173,065	\$ 28,258,496
Other ECE contributions	576,500	737,333	522,877
Other contributions	<u>(223,500)</u>	<u>448,692</u>	<u>645,152</u>
Total Government of the NWT	<u>27,864,554</u>	<u>29,359,090</u>	<u>29,426,525</u>
Government of Canada	<u>-</u>	<u>2,850</u>	<u>-</u>
Board Generated Funds			
Investment Income	-	66,658	34,403
Other	<u>245,000</u>	<u>633,534</u>	<u>193,072</u>
Total Board Generated Funds	<u>245,000</u>	<u>700,192</u>	<u>227,475</u>
TOTAL REVENUE	<u>28,109,554</u>	<u>30,062,132</u>	<u>29,654,000</u>
EXPENSES			
Administration	1,914,760	2,206,902	2,000,393
School Programs	18,465,634	19,049,758	18,955,029
Inclusive Schooling	4,622,499	4,028,303	4,393,300
Student Accommodations	200,000	135,050	192,094
Operations & Maintenance	726,000	713,074	788,562
Aboriginal Languages/Cultural Programs	<u>2,113,156</u>	<u>2,082,382</u>	<u>2,215,524</u>
TOTAL EXPENSES	<u>28,042,049</u>	<u>28,215,469</u>	<u>28,544,902</u>
OPERATING SURPLUS	67,505	1,846,663	1,109,098
OPENING ACCUMULATED DEFICIT	<u>(93,620)</u>	<u>(93,620)</u>	<u>(1,202,718)</u>
CLOSING ACCUMULATED SURPLUS (DEFICIT)	<u>\$ (26,115)</u>	<u>\$ 1,753,043</u>	<u>\$ (93,620)</u>

NON-CONSOL BEAUFORT DELTA EDUCATION COUNCIL
DETAILS OF EXPENSES
For the Year Ended June 30, 2015

	<u>School</u> <u>Programs</u>	<u>Inclusive</u> <u>Schooling</u>	<u>Student</u> <u>Accommodations</u>	<u>Operations &</u> <u>Maintenance</u>	<u>Administration</u>	<u>Aboriginal</u> <u>Languages</u>	<u>2015</u>
SALARIES:							
Teachers	\$ 11,204,848	\$ 722,868	\$ -	\$ -	\$ -	\$ 984,613	\$ 12,912,329
Instruction Assistants	26,514	-	-	-	-	-	26,514
Non-instructional Staff	1,691,877	1,686,095	-	-	1,129,444	126,664	4,634,080
Board/Trustee Honoraria	590	-	-	-	29,900	39,380	69,870
EMPLOYEE BENEFITS							
Employee Benefit/Allowance	4,395,652	960,252	-	110,023	373,728	288,542	6,128,197
Leave and Termination	271,554	-	-	-	14,722	-	286,276
SERVICES PURCHASED/ CONTRACTED							
Professional/Technical Services	-	165,137	-	-	97,534	-	262,671
Postage/Communication	92,371	-	1,442	-	31,263	-	125,076
Travel	85,880	20,694	-	-	128,927	68,180	303,681
Student Travel	94,151	4,770	131,242	-	-	30,080	260,243
Advertising/Printing/Publishing	-	-	128	-	4,889	-	5,017
Maintenance/Repair	37,771	-	-	-	6,467	15,895	60,133
Rentals/Leases	86,391	-	-	141,624	13,284	19,800	261,099
Others	48,103	-	-	461,427	52,597	5,257	567,384
Contracted Services	68,828	164,662	-	-	6,459	178,544	418,493
MATERIALS/SUPPLIES/FREIGHT							
Materials	635,297	70,904	2,238	-	51,230	81,919	841,588
Furniture and Equipment	99,994	21,862	-	-	50,553	-	172,409
Freight	48,683	12,169	-	-	7,268	1,412	69,532
CONTRIBUTIONS/TRANSFERS							
Transfers - Other	<u>161,254</u>	<u>198,890</u>	<u>-</u>	<u>-</u>	<u>208,637</u>	<u>242,096</u>	<u>810,877</u>
Total	<u>\$ 19,049,758</u>	<u>\$ 4,028,303</u>	<u>\$ 135,050</u>	<u>\$ 713,074</u>	<u>\$ 2,206,902</u>	<u>\$ 2,082,382</u>	<u>\$ 28,215,469</u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 29

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
INFRASTRUCTURE**

For the Year Ended June 30, 2015

	<u>2015</u>	<u>2014</u>
PERSONNEL INFRASTRUCTURE		
Contributions	<u>536,346</u>	<u>728,695</u>
Expenses:		
Removal In/Transfer	282,272	336,051
Ultimate Removal	179,155	176,084
WSCC Premiums	<u>108,778</u>	<u>138,102</u>
Total Expenses	<u>570,205</u>	<u>650,237</u>
Net Surplus (Deficit)	<u>(33,859)</u>	<u>78,458</u>
LEASES INFRASTRUCTURE		
Contributions	<u>138,665</u>	<u>154,425</u>
Expenses:		
Leases	<u>141,624</u>	<u>138,325</u>
Total Expenses	<u>141,624</u>	<u>138,325</u>
Net Surplus (Deficit)	<u>(2,959)</u>	<u>16,100</u>
REPAYABLE TO EDUCATION, CULTURE AND EMPLOYMENT	<u>-</u>	<u>94,559</u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 30

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
FRENCH LANGUAGE PROGRAM
For the Year Ended June 30, 2015**

	<u>Contributions</u> <u>July 1 to June 30</u>	<u>Total Expenses</u> <u>July 1 to June 30</u>	<u>Variance</u>
Bilateral Agreement Funding			
Special Projects:			
Teacher's Assistant Salary	\$ 60,000	\$ -	\$ 60,000
Core French 1:12 Salary	-	565,013	(565,013)
French Resources	5,000	10,650	(5,650)
Cultural Activities	5,000	1,129	3,871
Professional Development	5,000	-	5,000
French Monitor	-	38,359	(38,359)
Mentorship with YCS on Immersion Program	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total	\$ <u>90,000</u>	\$ <u>630,151</u>	\$ <u>(540,151)</u>
Regular GNWT Funding			
Immersion Program	\$ 90,000		
Core French Instruction	<u>8,850</u>		
Total	\$ <u>98,850</u>		

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 31

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
ABORIGINAL LANGUAGES
For the Year Ended June 30, 2015**

	<u>July 1 to March 31</u>	<u>April 1 to June 30</u>	<u>Total</u>
<u>Contribution Agreement Aboriginal Languages</u>			
Revenue			
Funding Received	<u>78,000</u>	<u>-</u>	<u>78,000</u>
Expenses			
Salaries	100,000	-	100,000
Other O & M	<u>78,000</u>	<u>-</u>	<u>78,000</u>
Total Expenses	<u>178,000</u>	<u>-</u>	<u>178,000</u>
Net Surplus (Deficit)	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 32

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
STUDENT SUCCESS INITIATIVE
For the Year Ended June 30, 2015**

NWT Student Success Initiative

Professional Development Initiative

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

	<u>2015</u>
Revenue	<u>87,039</u>
Expenses:	
Travel	
Air Charter	19,875
Accommodation	20,065
Daily Per Diems	13,647
Workshop Expenses	
Miscellaneous	<u>45,696</u>
Total Expenses	<u>99,283</u>
Net Surplus (Deficit)	<u><u>(12,244)</u></u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 33

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
DETAILS OF ABORIGINAL LANGUAGE AND CULTURAL-BASED EDUCATION EXPENSES
For the Year Ended June 30, 2015**

<u>FUNCTION</u>	<u>Student Instruction</u>	<u>Teaching/ Learning Resources</u>	<u>Professional Development</u>	<u>School Activities and Integrated Community Programs</u>	<u>Total</u>
<u>SALARIES</u>					
ALCBE Teachers	\$ 984,613	\$ -	\$ -	\$ -	\$ 984,613
Language Consultants	125,455	-	-	-	125,455
Instruction Assistants	95,850	-	-	-	95,850
Non Instructional Staff	-	-	-	140,998	140,998
Honoraria	-	-	-	72,915	72,915
<u>EMPLOYEE BENEFITS</u>					
Employee Benefits/Allowances	288,542	-	-	22,219	310,761
<u>SERVICES PURCHASED/ CONTRACTED</u>					
Travel	46,645	-	8,175	21,937	76,757
Student Transportation (bussing)	-	-	-	30,280	30,280
Advertising/Printing/Publishing	-	5,000	-	-	5,000
Maintenance/Repair	-	-	-	15,895	15,895
Rentals/Leases	-	-	-	25,900	25,900
Other Contracted Services	178,544	-	-	34,261	212,805
Others	-	-	-	3,761	3,761
<u>MATERIAL/SUPPLIES/FREIGHT</u>					
Materials	-	39,523	835	98,447	138,805
Freight	-	917	-	745	1,662
TOTAL	\$ <u>1,719,649</u>	\$ <u>45,440</u>	\$ <u>9,010</u>	\$ <u>467,358</u>	\$ <u>2,241,457</u>

BEAUFORT-DELTA EDUCATION COUNCIL

Schedule 34

**REPORT ON ACTIVITIES OF SPECIFIC PROGRAMS
DETAILS OF INCLUSIVE SCHOOLING EXPENSES
For the Year Ended June 30, 2015**

<u>FUNCTION</u>	<u>Staff Development</u>	<u>Assistive Technology</u>	<u>Student Resources</u>	<u>General Inclusive Schooling</u>	<u>Total</u>
<u>SALARIES</u>					
Program Support Teachers	\$ -	\$ -	\$ -	\$ 722,868	\$ 722,868
Consultants	-	-	-	129,431	129,431
Support Assistants	-	-	-	1,240,487	1,240,487
Non Instructional Staff	-	-	-	333,926	333,926
<u>EMPLOYEE BENEFITS</u>					
Employee Benefits/Allowances	-	-	-	960,252	960,252
<u>SERVICES PURCHASED/ CONTRACTED</u>					
Professional/Technical Services	-	-	-	165,137	165,137
Travel	-	-	-	3,202	3,202
Travel	1,833	-	-	18,861	20,694
Student Transportation (bussing)	-	-	-	4,770	4,770
Rentals/Leases	-	-	-	34,647	34,647
Other Contracted Services	-	164,662	-	15,901	180,563
<u>MATERIAL/SUPPLIES/FREIGHT</u>					
Materials	-	9,109	52,521	17,603	79,233
Furniture and Equipment	-	21,541	-	57,390	78,931
Freight	-	214	-	11,955	12,169
TOTAL	\$ <u>1,833</u>	\$ <u>195,526</u>	\$ <u>52,521</u>	\$ <u>3,716,430</u>	\$ <u>3,966,310</u>

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

Consolidated Financial Statements

June 30, 2015

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Financial Statements

June 30, 2015

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

Le 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 et 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: 3 à Yellowknife et 3 à Hay River.

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

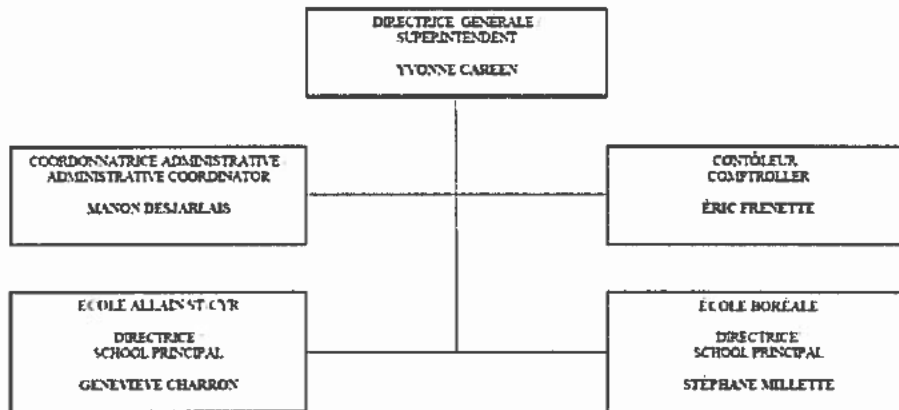
Les commissaires pour 2014-15 étaient :

Nom	Position
Suzette Montreuil	Présidente
Michael St. John	Vice-président
Jean de Dieu Tuyishime	Trésorier
Michael St-Amour	Commissaire
Simon Lepage	Commissaire
Simon Cloutier	Commissaire

La Commission scolaire francophone TNO gouverne deux écoles publiques en français langue première de la maternelle à la 12^e année: l'école Allain St-Cyr à Yellowknife et l'école Boréale à Hay River. En 2014-15, la CSFTNO avait trois employés au bureau central et trente-deux employés dans les écoles pour un total de trente-cinq employés.

L'organigramme pour 2014-15 de la Commission scolaire francophone :

**COMMISSION SCOLAIRE FRANCOPHONE TERRITOIRES DU NORD-OUEST
2014-2015
SIX COMMISSAIRES ÉLUS / SIX ELECTED TRUSTEES**

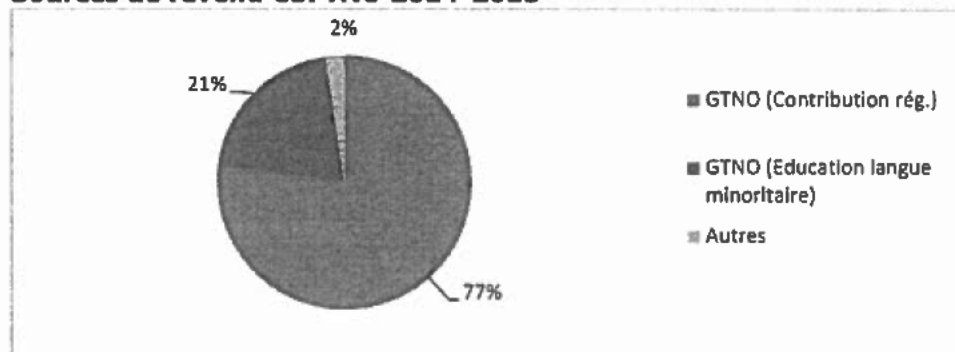


En 2014-2015, 134 élèves ont fréquenté l'école Allain St-Cyr et 88.5 ont fréquenté l'école Boréale.

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

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

Sources de revenu CSFTNO 2014-2015

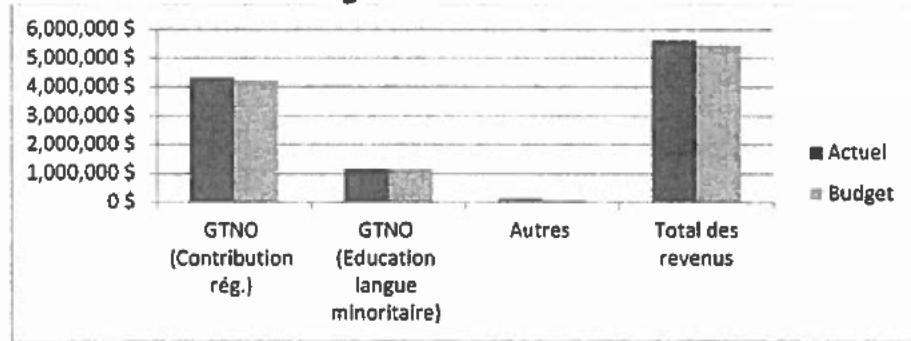


En 2014-2015, la Commission scolaire francophone TNO a enregistré des revenus d'une somme de 5.62 M\$ comparativement à un montant budgété de 5.45 M\$ en 2013-2014. Cette variance de 170 K\$ s'explique principalement par deux facteurs :

- Les sommes de 83 K\$ reçues par le Programme de contestation judiciaire du Canada et le Programme d'appui aux droits linguistiques non budgétées.
- Les contributions additionnelles reçues par le Gouvernement des Territoires du Nord-Ouest pendant l'année scolaire 2014-15 non incluent dans le budget approuvé.

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

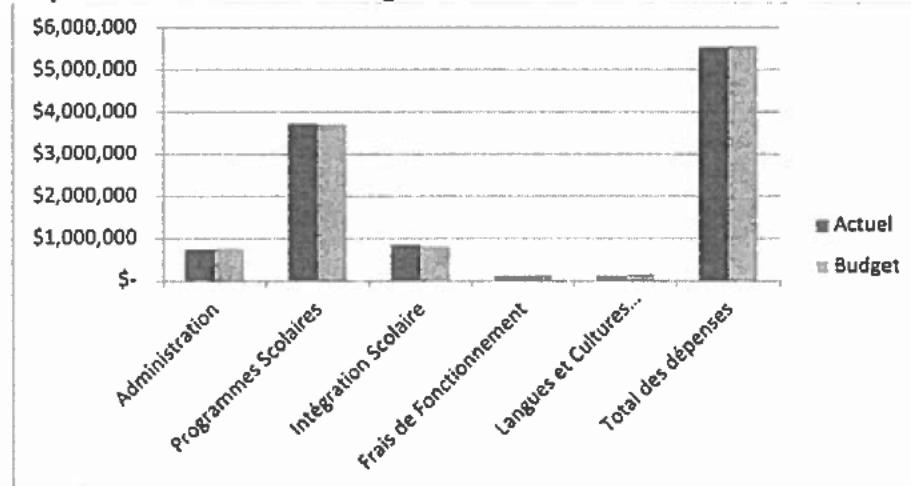
Revenus actuels vs. budgétés



Le total des dépenses de la Commission scolaire francophone TNO au 30 juin 2015 se chiffrait à 5.54 M\$ comparativement à un budget approuvé de 5.56 M\$.

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

Dépenses actuelles vs. budgétées



La Commission scolaire francophone TNO a approuvé un déficit de (115 334 \$) en raison des dépenses légales prévues pour l'année 2014-15.

La Commission scolaire francophone TNO a terminé l'année fiscale avec un surplus annuel de 73 087 \$. Par conséquent, le surplus accumulé est augmenté à 577 564\$ comparativement à 504 477 \$ au 30 juin 2014. Ce surplus annuel de 73 087\$ s'explique majoritairement par les contributions additionnelles reçues par le Gouvernement des Territoires du Nord-Ouest non prévues dans le budget approuvé.

Les enseignants et enseignantes des écoles à Yellowknife ainsi qu'à Hay River relèvent un grand défi d'enseigner aux élèves dans une langue minoritaire aux TNO. De plus, en raison des établissements scolaires construits par le GTNO et la croissance du nombre d'élèves pendant les dernières années, nos deux écoles manquent d'espaces adéquates pour offrir le programme éducatif d'excellence visé par la commission scolaire. Nous relevons ce défi à l'aide d'ententes de partage des espaces scolaires avec les commissions scolaires des écoles avoisinantes. Par contre, cette situation n'est pas celle que nous préconisons. La Cour Suprême du Canada a récemment statué qu'une école de la langue minoritaire a droit, selon l'article 23 de la *Charte canadienne des droits et libertés*, aux établissements scolaires de qualité équivalente aux établissements scolaires dont dispose la majorité de la même zone scolaire. Nous espérons que ce jugement contribuera positivement aux négociations avec le Gouvernement des Territoires du Nord-Ouest pour l'agrandissement des établissements scolaires.

Les poursuites judiciaires APADY VS GTNO et CSFTNO VS GTNO traitent des établissements scolaires adéquats, du pouvoir de gérer les demandes d'admissions dans les écoles francophones, ainsi que de la permission d'accepter les enfants d'âge préscolaire dans les écoles. Ces poursuites judiciaires engendrent des pressions financières considérables au niveau de dépenses légales. En janvier 2015, nous avons reçu la réponse de la Cour d'appel des TNO en faveur du Gouvernement des Territoires du Nord-Ouest. Conséquemment, nous avons interjeté appel à la Cour Suprême du Canada. En date du 30 juin 2015, nous sommes en attente d'une décision de la Cour Suprême du Canada afin que la cause soit entendue.

Malgré ces pressions financières, la commission scolaire s'engage à continuer d'offrir un excellent programme d'éducation en français langue première dans nos deux écoles de la maternelle à la 12^e année. Notre nouveau plan stratégique, qui sera finalisé en 2015-2016, nous aidera à prioriser nos ressources et nos

initiatives afin de nous assurer que la commission scolaire et la communauté francophone continuent à s'épanouir.



Commission scolaire francophone
Territoires du Nord-Ouest

Management Report

The Management Report describes the financial status of, and outlook for, the Commission scolaire francophone Territoires du Nord-Ouest (CSFTNO) from head office's standpoint. The Management Report is the responsibility of the CSFTNO Superintendent and trustees, and serves to promote transparency and accountability.

The two objectives of the CSFTNO's financial management can be summarized as follows:

- (1) Provide the best education programs possible, based on financial resources allocated.
- (2) Manage financial resources competently, and be accountable for these resources to the Northwest Territories Department of Education, Culture and Employment, and to the Government of Canada.

The CSFTNO's vision is to enable students to develop their skills and to cultivate their talents according to their specific needs, from the standpoint of their overall development as individuals and construction of their identity as Francophones.

Pursuant to the Northwest Territories *Education Act*, the CSFTNO has six elected trustees: three in Yellowknife and three in Hay River.

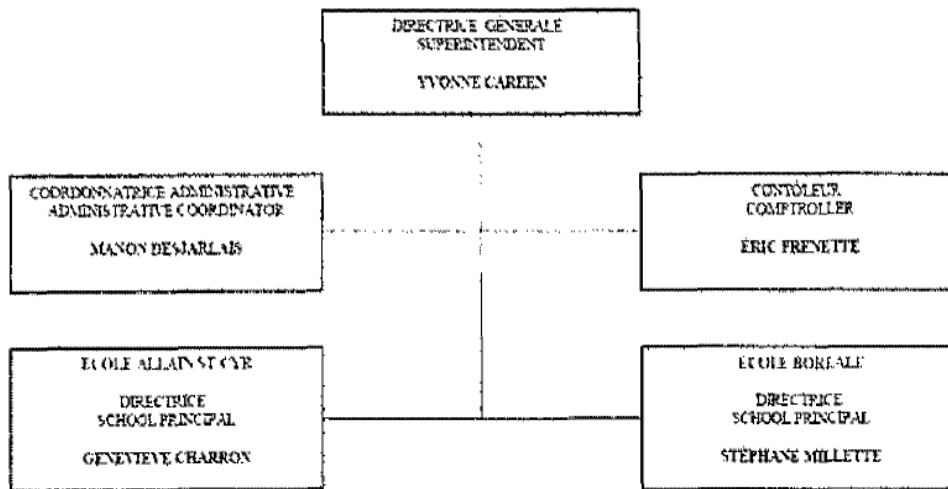
The trustees are responsible for supervising management of the school board and its schools. They are the link between the students, parents, schools and the two levels of government.

The trustees for 2014-2015 were as follows:

Name	Position
Suzette Montreuil	President
Michael St. John	Vice-President
Jean de Dieu Tuyishime	Treasurer
Michael St-Amour	Trustee
Simon Lepage	Trustee
Simon Cloutier	Trustee

The CSFTNO manages two French-language public schools (K-12): Ecole Allain St-Cyr in Yellowknife and Ecole Boreale in Hay River. In 2014-2015, the CSFTNO had three head office employees and 32 employees in the schools, for a total of 35.

Organization chart for 2014-2015 for the CSFTNO:¹

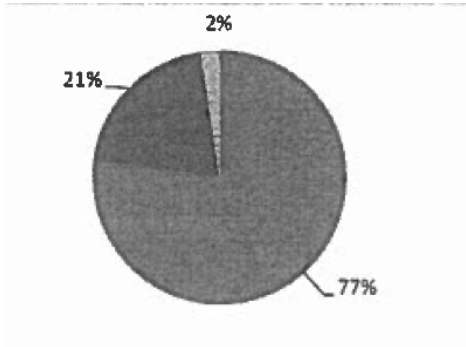


In 2014-2015, 134 students attended Allain St-Cyr, and 88.5 attended Boreale.

The Government of the Northwest Territories is the chief source of funding. For the most part, this funding can be broken down into two categories:

- Regular contributions through the Northwest Territories School Funding Framework; and
- Contribution from Canadian Heritage - Minority Language Education Agreement.

CSFTNO Revenue Sources 2014-2015



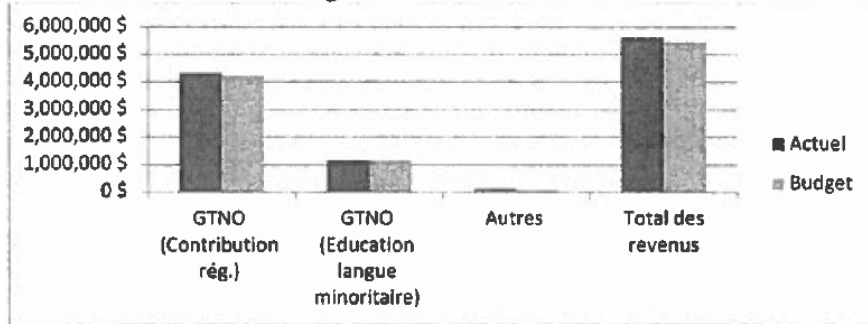
77% GNWT (Reg. contribution)
21% GNWT (Minority Language Education)
2% Other

In 2014-2015, the CSFTNO posted revenue of \$5.62M, compared to the \$5.45M budgeted in 2013-2014. The difference of \$170,000 is due mostly to two factors:

- \$83,000 received from the Court Challenges Program and the Language Rights Support Program (not budgeted).
- Supplementary contributions that were received from the Government of the Northwest Territories during 2014-2015 and not included in the approved budget.

The following chart illustrates actual revenue compared to budgeted revenue:

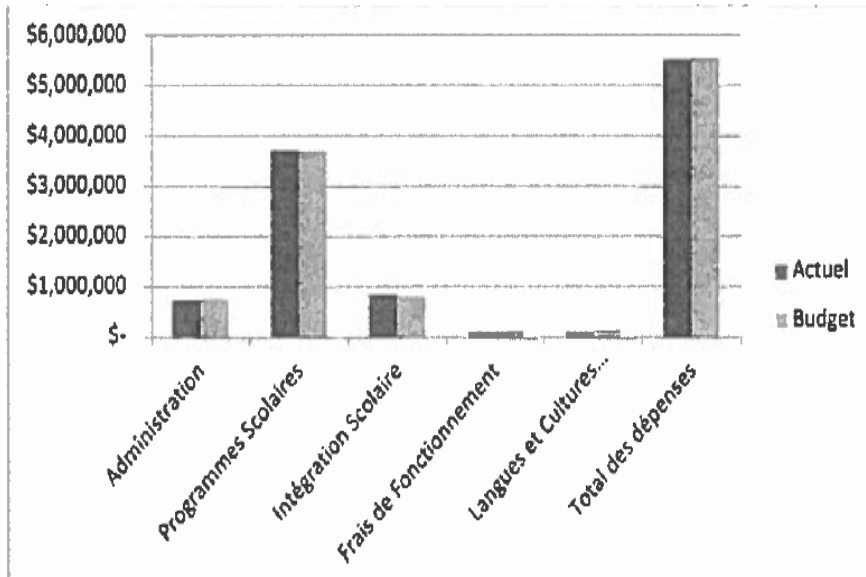
Actual versus budgeted revenues:



The CSFTNO's expenses as at June 30, 2015, totaled \$5.54M, compared to the approved budget of \$5.56M.

The following chart illustrates actual expenses compared to budgeted expenses by program:

Actual versus budgeted expenses



The CSFTNO approved a deficit of \$115,334 owing to the legal expenses anticipated for 2014-2015.

The CSFTNO ended the fiscal year with an annual surplus of \$73,087. Consequently, the accumulated surplus rose to \$577,564 from \$504,477 as at June 30, 2014. This annual surplus of \$73,087 is due mostly to the supplementary contributions received from the Government of the Northwest Territories that were not included in the approved budget.

Teachers at the school in Yellowknife and in Hay River face a major challenge in providing minority-language education in the Northwest Territories. In addition, owing to the educational facilities built by the Government of the Northwest Territories and the increase in the number of students in recent years, our two schools do not have the spaces needed to provide excellence in education as mandated by the school board. We are meeting this challenge through space-sharing agreements with the school boards of the neighbouring schools. However, that is not our preferred option. The Supreme Court of Canada recently ruled that minority language schools are entitled, under section 23 of the *Canadian Charter of Rights and Freedoms*, to educational facilities whose quality is equivalent to that of the educational facilities provided to the English-speaking majority in the same catchment area. We hope that this ruling will have a positive impact on negotiations with the Government of the Northwest Territories concerning expansion of the schools.

The APADY vs. GNWT and CSFTNO vs. GNWT court cases are concerned with suitable educational facilities, the authority to manage applications for admission to French-language schools, and authorization to accept preschoolers in the schools. These court actions have resulted in significant financial pressure due to the legal expenses involved. In January 2015, the Court of Appeal for the Northwest Territories ruled in favour of the Government of the Northwest Territories. We therefore appealed to the Supreme Court of Canada. As of June 30, 2015, we were still waiting for the Supreme Court of Canada to decide whether it would hear our case.

Despite these financial pressures, the school board is committed to continuing to provide a quality French First Language program at our two schools from kindergarten to Grade 12. Our new strategic plan, to be finalized in 2015-2016, will help us to prioritize our resources and initiatives in order to ensure that the school board and the French-speaking community continue to thrive.

**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, 2015

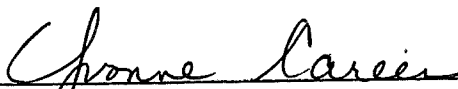
The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Commission scolaire francophone Territoire du Nord-Ouest ("the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


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

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

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

Approved and confirmed on behalf of the Commission


Yvonne Careen **Directrice générale**


Eric Frenette, CGA **Contrôleur financier**

September 21, 2015

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, 2015 and the consolidated statements of operations, changes in net financial asset (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 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.

Independent Auditors' Report (continued)

Basis for Qualified Opinion

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

Qualified Opinion

In our opinion, except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Commission as at June 30, 2015 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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



Yellowknife, Northwest Territories
September 21, 2015

Chartered Accountants

Commission scolaire francophone Territoires du Nord-Ouest**Consolidated Statement of Financial Position**

As at June 30, **2015** **2014**

Financial Assets

Cash (Note 4)	\$ 1,372,140	\$ 1,253,104
Restricted assets (Note 6)	45,000	35,000
Accounts receivable (Note 8)	215,575	285,198
	1,632,715	1,573,302

Liabilities

Accounts payable and accrued liabilities (Note 10)	173,065	272,324
Payroll liabilities (Note 35)	666,574	570,192
Contributions repayable (Note 12)	17,410	60,776
Deferred revenue (Note 11)	45,000	35,000
Post-employment benefits (Note 17)	168,285	156,647
	1,070,334	1,094,939

Net financial asset **562,381** **478,363**

Non-financial assets

Prepaid expenses and deposits (Note 20)	15,183	26,114
Accumulated surplus	\$ 577,564	\$ 504,477

Represented By:**Operating surplus** **\$ 577,564** **\$ 504,477**

Contractual obligations and contingencies (Note 24 and 25)**Approved on behalf of the Board:**_____
Trustee_____
Trustee

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Operations

For the year ended June 30,	2015 Budget	2015 Actual	2014 Actual
Revenue			
Government of the NWT			
ECE Regular contributions	\$ 4,215,661	\$ 4,210,418	\$ 4,164,030
French language instruction	1,152,850	1,152,850	1,152,850
ECE Other contributions (Note 33)	10,000	115,836	141,803
Total ECE	5,378,511	5,479,104	5,458,683
GNWT Other contributions (Note 34)	-	-	1,136,587
Total GNWT	5,378,511	5,479,104	6,595,270
Government of Canada			
Other contributions	40,000	39,264	22,375
Education body generated funds			
Northwest Territories Teachers' Association			
Contributions	-	9,438	95,889
School fees	11,000	4,475	15,815
Other revenue	16,000	83,854	76,757
	27,000	97,767	188,461
	5,445,511	5,616,135	6,806,106
Expenses (Schedule 1)			
Administration	751,317	744,567	876,967
School programs	3,712,467	3,728,314	3,921,101
Inclusive schooling	808,364	846,870	862,203
Operations and maintenance	128,982	111,572	103,031
Aboriginal languages	159,715	111,725	128,664
	5,560,845	5,543,048	5,891,966
Operating surplus (deficit) before other items	(115,334)	73,087	914,140
Other items			
Grant in-kind - Assets provided at no cost (Note 23)	-	164,160	164,160
Rent expense - Assets provided at no cost (Note 23)	-	(164,160)	(164,160)
Operating surplus (deficit)	(115,334)	73,087	914,140
Opening accumulated surplus (deficit)	504,477	504,477	(409,663)
Closing accumulated surplus	\$ 389,143	\$ 577,564	\$ 504,477

Commission scolaire francophone Territoires du Nord-Ouest

Consolidated Statement of Changes in Net Financial Asset (Debt)

For the year ended June 30,	2015	2014
Operating surplus	\$ 73,087	\$ 914,140
Use (acquisition) of prepaid expenses and deposits	10,931	(14,562)
Increase in net financial asset	84,018	899,578
Net financial asset (debt), beginning of year	478,363	(421,215)
Net financial asset, end of year	\$ 562,381	\$ 478,363

Commission scolaire francophone Territoires du Nord-Ouest**Consolidated Statement of Cash Flows**

For the year ended June 30, **2015** **2014**

Cash provided by (used in):**Operating transactions**

Operating surplus \$ 73,087 \$ 914,140

Changes in non-cash assets and liabilities

Increase (decrease) in accounts receivable 69,622 (69,509)

Increase (decrease) in accounts payable (99,258) (171,693)

Increase (decrease) in payroll liabilities 96,381 17,179

Increase (decrease) in contributions repayable (43,366) 49,633

Increase (decrease) in due to government of Canada - (676)

Increase (decrease) in deferred revenue 10,000 -

Increase (decrease) in post-employment benefits 11,638 8,412

Increase (decrease) in prepaid expenses and deposits 10,932 (14,562)

Increase in cash and cash equivalents **129,036** **732,924****Cash and cash equivalents at beginning of year** **1,288,104** **555,180**

Cash and cash equivalents at end of year **\$ 1,417,140** **\$ 1,288,104**

Cash and cash equivalents consist of:

Cash \$ 1,372,140 \$ 1,253,104

Restricted cash (note 6) 45,000 35,000

\$ 1,417,140 **\$ 1,288,104**

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 1
Consolidated Details of Expenses

For the year ended June 30,

	School Programs	Inclusive Schooling (schedule 3)	Operation & Maintenance	Administration	Aboriginal Languages (schedule 2)	Total 2015	Budget 2015	Total 2014
Salaries								
Teacher salaries	\$ 2,620,331	\$ 438,712	\$ -	\$ -	\$ 47,463	\$ 3,106,506	\$ 3,044,122	\$ 3,246,156
Instruction assistants	190,826	193,777	-	-	-	384,603	394,977	439,046
Non-instruction staff	382,067	49,028	-	412,993	25,750	869,838	816,886	804,400
Board/trustee honoraria	-	-	-	35,579	-	35,579	34,000	33,920
	3,193,224	681,517	-	448,572	73,213	4,396,526	4,289,985	4,523,522
Employee Benefits								
Employee benefit	-	-	27,959	-	-	27,959	26,000	19,400
Leave and termination	-	-	34,976	-	-	34,976	60,000	28,831
	-	-	62,935	-	-	62,935	86,000	48,231
Services Purchased/Contracted								
Advertising/Publishing	-	-	7,237	15,380	-	22,617	39,015	16,271
Communication	12,264	-	-	15,136	-	27,400	26,500	24,342
Contracted services	36,744	61,966	-	153,280	-	251,990	319,000	444,086
Maintenance & repairs	13,525	-	41,400	-	-	54,925	39,469	59,328
Other	57,080	66,450	-	47,010	-	170,540	159,026	146,133
Rental/leases	98,918	-	-	12,847	-	111,765	70,500	124,193
Student travel	55,527	-	-	-	-	55,527	64,000	57,267
Travel	6,532	9,083	-	18,453	2,978	37,046	57,000	49,982
	280,590	137,499	48,637	262,106	2,978	731,810	774,510	921,602
Supplies and Materials								
Freight	186	1,265	-	421	-	1,872	4,550	3,312
Materials	254,314	26,589	-	33,468	35,534	349,905	405,800	395,299
	254,500	27,854	-	33,889	35,534	351,777	410,350	398,611
Total	\$ 3,728,314	\$ 846,870	\$ 111,572	\$ 744,567	\$ 111,725	\$ 5,543,048	\$ 5,560,845	\$ 5,891,966

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 2

Details of Aboriginal Language and Culture Expenses

For the year ended June 30, 2015

	Student Instructions	School Activities & Integrated Community Programs	Total
Function Salaries			
ALCBE teachers	\$ 47,463	\$ -	\$ 47,463
Honoraria	-	15,522	15,522
Elders in the schools	-	10,228	10,228
	47,463	25,750	73,213
Services Purchased/Contracted			
Travel	-	2,978	2,978
Materials/Supplies/Freight			
Materials	-	35,534	35,534
	\$ 47,463	\$ 64,262	\$ 111,725

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 3

Details of Inclusive Schooling Expenses

For the year ended June 30, 2015

	Staff Development	Student Resources	General Inclusive Schooling	Total
Function Salaries				
Consultants	\$ -	\$ -	\$ 49,028	\$ 49,028
Program support teachers	-	-	438,712	438,712
Supportive assistants	-	-	193,777	193,777
	-	-	681,517	681,517
Services Purchased/Contracted				
Contracted services	-	-	61,966	61,966
Other	66,450	-	-	66,450
Travel	-	-	9,083	9,083
	66,450	-	71,049	137,499
Materials/Supplies/Freight				
Freight	-	-	1,265	1,265
Materials	-	26,589	-	26,589
	-	26,589	1,265	27,854
	\$ 66,450	\$ 26,589	\$ 753,831	\$ 846,870

Commission scolaire francophone Territoires du Nord-Ouest**Schedule 4
French Language Funding**

For the year ended June 30, 2015

	Contributions from GNWT	Commitments from Commission	Expenditures	(Under) Over Funding
STUDENT PARTICIPATION				
School administration (salary)	\$ 231,500	\$ 20,000	\$ 237,201	\$ 14,299
Retention bursaries	12,000	-	21,250	(9,250)
2 grade level per class (salary)	250,350	1,700,000	2,158,703	(208,353)
2 secretaries / librarian (salary)	117,500	48,000	181,721	(16,221)
SCHOOL PROGRAMS				
Cyber pedagogy (salary)	105,000	10,000	124,464	(9,464)
Technology resources	60,000	-	58,157	1,843
PROGRAM ENRICHMENT				
Partnership early childhood	30,000	-	25,000	5,000
Teacher assistants for francisation (salary)	120,000	20,000	189,458	(49,458)
Art Program - Ecole Boreale	20,000	-	16,020	3,980
Cultural activities	40,000	-	44,334	(4,334)
French resource purchase	30,000	5,000	50,868	(15,868)
EDUCATIONAL SUPPORT FOR PERSONNEL				
Mentors in literacy and numeracy	90,000	15,000	93,809	11,191
Mentors in literacy and numeracy (O&M)	25,500	-	40,641	(15,141)
Professional development	21,000	20,000	37,555	3,445
Total	\$ 1,152,850	\$ 1,838,000	\$ 3,279,181	\$ (288,331)
Regular GNWT Funding				
Total	\$ 4,210,418			

Commission scolaire francophone Territoires du Nord-Ouest

Schedule 5
Infrastructure

For the year ended June 30, 2015

	Total
GNWT ECE - Personnel Infrastructure	
Contributions	\$ 105,015
Expenditures	
Staffing:	
Advertising	7,238
Removal in/transfer	34,976
WCB Casual	783
WCB permanent	27,175
	70,172
Personnel Infrastructure net	34,843
Utilities and Leases Infrastructure	
Contributions	23,967
Expenditures	
Other	16,565
Maintenance	24,835
	41,400
Utilities and leases infrastructure net	(17,433)
Surplus repayable (Note 12)	\$ 17,410

Commission scolaire francophone Territoires du Nord-Ouest

**Schedule 6
Student Success Initiative**

For the year ended June 30, 2015

	Total
Revenue - GNWT	\$ 24,963
Expenditures	
Salaries/Wages	
Facilitator fees	15,500
Substitute teacher	3,579
	19,079
Travel	5,627
Workshop expenditures	
Material	461
Total expenditures	25,167
Deficit	\$ (204)

June 30, 2015

1. Nature of the Organization

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

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

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

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

2. Significant Accounting Policies

(a) Basis of Accounting

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

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

(b) Cash and Cash Equivalents

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

June 30, 2015

2. Significant Accounting Policies (continued)

(c) Financial Instruments

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

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

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

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

(d) Non-financial Assets

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

(e) Tangible Capital Assets

The Commission does not carry any tangible capital assets. All tangible capital assets used by the Commission are purchased by and remain the property of the GNWT. The Minister grants to the Education Body the full occupancy and use of such facilities and equipment where required for the administration and delivery of education system programs. 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.

June 30, 2015

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 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 is received in three installments on the first of November, January and March. The contribution revenue is recognized when received or receivable.

Other contributions

The Commission follows the deferral method of accounting for contributions from funding arrangements. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be 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.

Special Purpose funds

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

Deferred revenue

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

June 30, 2015

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

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

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

The budget may be amended within a given fiscal year in accordance with the Commission's policy, regulations and approved budget procedures. The budget data presented in the financial statements 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.

June 30, 2015

2. Significant Accounting Policies (continued)

(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 Commission 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 Benefits, Compensated Absences and Termination Benefits

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

(m) Special Purpose Funds

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

(n) 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 can not be readily determined and, accordingly, has not been reported in the consolidated financial statements.

June 30, 2015

2. Significant 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 exists; contamination exceeds the environmental standard; The Commission is directly responsible and accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2015.

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.

(p) Change in Accounting Policy

Effective April 1, 2014, the Commission adopted Section PS 3260, *Liability for Contaminated Sites* issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organizations reporting under Canadian public sector accounting standards about how to account for and report a liability which is associated with the remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the Commission's liabilities but has resulted in additional disclosure.

Notes to Consolidated Financial Statements

June 30, 2015

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

In December of 2014, PSAB approved Section PS 2200, Related Party Disclosures. The new 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 effective date for Section PS 2200 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Inter-entity Transactions, Section PS 3420

In December of 2014, 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. This section may be applied in conjunction with Related Party Disclosures, Section 2200. The effective date for Section PS 3420 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Special Purpose Funds - Student Activity

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

4. Cash and Cash Equivalents

	2015	2014
Cash	\$ 1,372,140	\$ 1,253,104

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

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

June 30, 2015

5. Special Purpose Funds

The Commission does not have special purpose funds.

6. Restricted Assets

Restricted Cash represents funds held in trust for the purpose of covering legal costs related to legal action against the GNWT for the provision of additional classroom space in Hay River (Note 25) received from Programme d'appui aux droits linguistiques (PADL) / Language Rights Support Program of Canada.

7. Portfolio Investments

The Commission does not have any portfolio investments.

8. Accounts Receivable

	Accounts Receivable 2015	Allowance for doubtful accounts 2015	Net 2015	Net 2014
GNWT - Department of Education, Culture and Employment	\$ 115,891	\$ -	\$ 115,891	\$ 124,149
GNWT - Department of Health and Social Services	-	-	-	2,000
Trade Receivable	100,014	330	99,684	159,049
	\$ 215,905	\$ 330	\$ 215,575	\$ 285,198

9. Inventory

The Commission does not have inventory.

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

June 30, 2015

10. Accounts Payable and Accrued Liabilities

	2015	2014
GNWT - Department of Education, Culture and Employment	\$ 15,792	\$ 4,802
Trades payable	157,273	267,522
	\$ 173,065	\$ 272,324

11. Deferred Revenue

Deferred revenue consists of funding received from the Programme d'appui aux droits linguistiques (PADL) / Language Rights Support Program of Canada for expenditures not yet incurred at year end.

	2015	2014
PADL funding	\$ 45,000	\$ 35,000

12. Contributions Repayable

Contributions repayable consists of revenues in excess of expenditures for contribution agreements in which surpluses are repayable.

	2015	2014
Government of the Northwest Territories		
Department of Education, Culture and Employment - Infrastructure funding	\$ 17,410	\$ 60,776

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 obligation.

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

June 30, 2015

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.

	2015	2014
Termination and severance benefits	\$ 72,488	\$ 64,174
Removal liability benefits	95,797	92,473
	\$ 168,285	\$ 156,647

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

	2015	2014
Other prepaids	\$ 15,183	\$ 26,114

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

June 30, 2015

21. Accumulated Surplus/Deficit

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

22. Capital Advances

The Commission does not have capital advances.

23. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Ecole Allain St-Cyr	\$ 3,392,305	\$ 1,378,294	\$ 2,014,011	\$ 2,098,812
Ecole Boreale	3,638,058	838,927	2,799,131	2,889,914
Ecole Allain St-Cyr Phase 1	4,490,598	811,554	3,679,044	3,808,893
Final deficiencies	320,909	42,332	278,577	286,613
Ecole Boreale Modular Units	1,189,060	171,345	1,017,715	1,050,282
Ecole Boreale Pellet Boiler	86,115	22,605	63,510	67,816
	13,117,045	3,265,057	9,851,988	10,202,330
Deferred Capital Contribution				
Ecole Allain St-Cyr	(3,230,000)	(1,211,250)	(2,018,750)	(2,103,751)
Ecole Boreale	(2,600,000)	(622,723)	(1,977,277)	(2,041,405)
Ecole Allain St-Cyr Phase 1	(1,300,000)	(250,155)	(1,049,845)	(1,086,898)
	\$ 5,987,045	\$ 1,180,929	\$ 4,806,116	\$ 4,970,276

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

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

June 30, 2015

24. Contractual Obligations

The Commission has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2015.

The Commission had a busing services agreement with Cardinal Coach Lines Ltd. The agreement expired in June 2015. A new agreement is currently under negotiation. The equipment leases are payable in varying monthly installments.

The future minimum payments are as follows:

	Expires in fiscal year		2016		2017-2020		Total
Equipment leases							
Xerox WC5755 Printer	2017	\$	5,685	\$	3,043	\$	8,728
Xerox WC7125	2017		6,118		3,359		9,477
Aficio MP C4000	2017		11,340		2,835		14,175
			23,143		9,237		32,380
Operational Contracts							
Arctic alarm	Continuous		1,283		5,134		6,417
Northern Patrol Services	Continuous		2,688		10,752		13,440
		\$	27,114	\$	25,123	\$	52,237

25. Contingencies

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

During the fiscal year ended June 30, 2015, the GNWT submitted an appeal and was successful. The Commission has submitted an appeal, which has not yet been heard by the Supreme Court of Canada. In management's view the outcome of the appeal is not determinable. As a result, the loss, if any, will be recognized during the period in which the Supreme Court of Canada makes its final decision.

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

June 30, 2015

26. Related Parties

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

	2015		2014
Accounts Receivable			
GNWT - Department of Education, Cultural and Employment	\$ 115,891	\$	124,149
GNWT - Department of Health and Social Services	-		2,000
	\$ 115,891	\$	126,149

Accounts Payable

GNWT - Department of Education, Cultural and Employment	\$ 18,306	\$	4,802
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Salaries and wages payable

GNWT - Department of Finance (salaries and wages payable)	\$ 663,794	\$	569,117
GNWT - Department of Finance (employee deductions payable)	2,780		1,075
	\$ 666,574	\$	570,192

27. Budget Data

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

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

The budget figures presented are those approved by the Trustees of the Commission on June 16, 2014 and have not been audited.

June 30, 2015

28. Economic Dependence

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

29. Risk Management

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

a) Credit risk

Credit risk is the risk of financial loss to the Commission if a debtor fails to make payments of interest and principal when due. The Commission is exposed to this risk relating to its cash, restricted assets, and accounts receivable. The Commission holds its cash in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Commission's cash in accounts are insured up to \$300,000.

The Commission's maximum exposure to credit risk is represented by the financial assets balance for a total of \$1,632,715 (2014 - \$1,573,302).

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. 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, 2015, receivables from the GNWT comprised approximately 63% 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.

Notes to Consolidated Financial Statements

June 30, 2015

29. Risk Management (continued)

b) Liquidity risk

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

The Commission's maximum exposure to liquidity risk is represented by accounts payable, accrued liabilities, payroll liabilities and contributions repayable for a total \$857,049 (2014 - \$903,292).

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

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

30. Expenditures By Object

	2015 Budget	2015 Actual	2014 Actual
Compensation	\$ 4,375,985	\$ 4,459,461	\$ 4,571,753
Materials/freight	410,350	351,777	398,611
Services purchased/contracted	774,510	731,810	921,602
	\$ 5,560,845	\$ 5,543,048	\$ 5,891,966

31. Subsequent Events

There were no subsequent events that have taken place between June 30, 2015 and the date the audit report was signed.

32. Comparative Figures

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

Commission scolaire francophone Territoires du Nord-Ouest

Notes to Consolidated Financial Statements

June 30, 2015

33.ECE Other Contributions

	2015	2014
Government of the Northwest Territories - Department of Education, Culture and Employment		
Bussing	\$ 56,650	\$ 56,650
Other	17,686	30,956
Rental	41,500	54,197
	\$ 115,836	\$ 141,803

34.GNWT Other Contributions

	2015	2014
Government of the Northwest Territories		
Department of Finance	\$ -	\$ 1,127,287
Department of Health and Social Services	-	9,300
	\$ -	\$ 1,136,587

35.Payroll Liabilities

	2015
NWTTA	\$ 468,270
UNW School Year	99,616
Other June 30	98,688
	\$ 666,574

Commission scolaire francophone Territoires du Nord-Ouest

Notes to Consolidated Financial Statements

June 30, 2015

36. Statement of Remeasurement Gains and Losses

The Commission does not have remeasurement gains and losses.

37. Correction of accounting error

The consolidated statement of operations of the Authority has been restated to include the in-kind grant received from the Government of the Northwest Territories. During the 2014 fiscal year, ECE allowed the Authority to use schools owned by the GNWT for no consideration. The effect of the change is to increase grant in-kind and increase rent expense. There is no net impact to the consolidated statement of operations as a result of this restatement

	Previously Reported		As Restated		Change
Increase grant in-kind	\$	-	\$	164,160	\$ 164,160
Increase rent expense		-		164,160	164,160
Increase in operating deficit	\$	-	\$	-	\$ -

Consolidated Financial Statements of

**DEHCHO DIVISIONAL
EDUCATION COUNCIL**

June 30, 2015

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Financial Statements

June 30, 2015

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DEHCHO DIVISIONAL EDUCATION COUNCIL

Box 376, Fort Simpson, N.W.T. X0E 0N0

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

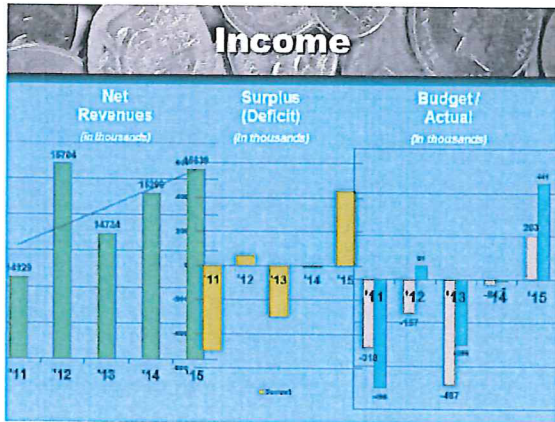
Presently, the Council is represented by trustees from eight communities in the Dehcho region. The Council Members are as follows:

- Fort Providence- Albertine Nadli- Chairperson
- Fort Liard- Kathy Hardisty- Vice Chairperson
- Fort Simpson- Rock Matte
- Jean Marie River- Yvonne Norwegian
- Kakisa Lake- Terry Simba

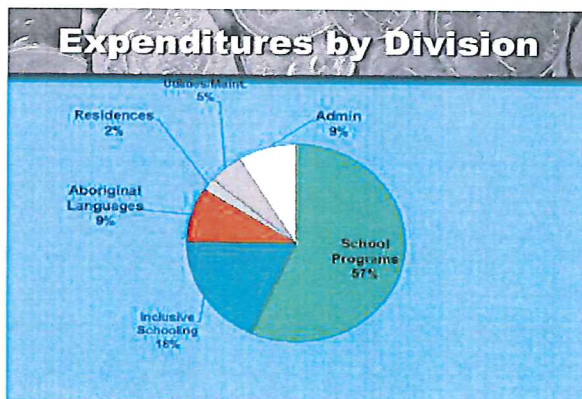
- Trout Lake- Rebecca Murdoch
- Wrigley- Lisa Moses
- Nahanni Butte- Jayne Konisenta

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

Key Financial Highlights



Revenue has fluctuated over the past five years due to fluctuating enrollment. Due to these factors and a healthy accumulated surplus from earlier years, the Council has recorded deficits or small surpluses in four of 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.



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 SCHOOL	<u>FORT SIMPSON</u> Thomas Simpson School	<u>FORT BOMPAS</u> Bompas School	<u>FORT PROVIDENCE</u> Deh Gah School	<u>JEAN MARIE RIVER</u> Louie Norwegian School	<u>KAKISA LAKE</u> KAKISA LAKE School	<u>TROUT LAKE</u> Charles Tetcho School	<u>WRIGLEY</u> Chief Julian Yendo School	<u>FORT LIARD</u> Echo Dene School	<u>NAHANNIBUTTE</u> Charles Yohin School	TOTAL
<u>STUDENTS</u>										
Beginning of Year Enrollment	135	117	166	8	4	18	17	111.5	8	584.5
End of Year Enrollment	<u>132</u>	<u>116</u>	<u>165</u>	<u>8</u>	<u>4</u>	<u>18</u>	<u>17</u>	<u>113</u>	<u>10</u>	583
TOTAL BY DISTRICT EDUCATION AUTHORITY (DEA) END OF YEAR		<u>248</u>	<u>165</u>	<u>8</u>	<u>4</u>	<u>18</u>	<u>17</u>	<u>113</u>	<u>10</u>	<u>583</u>
<u>TEACHING STAFF</u>										
Beginning of Year Teachers	10	8.5	11	1	1	2	1.5	8	1	44
End of Year Teachers	<u>10</u>	<u>8.5</u>	<u>11</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1.5</u>	<u>8</u>	<u>1</u>	<u>44</u>
TOTAL BY DISTRICT EDUCATION AUTHORITY (DEA) END OF YEAR		<u>18.5</u>	<u>11</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1.5</u>	<u>8</u>	<u>1</u>	<u>44</u>

Operating Environment

The Dehcho Divisional Education Council has been strengthened by sound fiscal and operation management over its history. In recent years, 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/replacement of senior staff members over the next several years.

Financial Conditions

During the fiscal year ending June 30, 2015, the Council budgeted for an operating surplus to reduce the accumulated deficit and at the same time, maintain a similar level of service in the schools and communities. In doing so, the Council budgeted for an annual surplus of \$202,708. However, the Council was able to maintain costs, while benefiting from extra sources of revenue to record a favorable surplus of \$440,721. This represented a favorable variance of \$238,013. This favorable variance helped restore the Council to an overall accumulated surplus of \$180,490 after several years of declining enrollment. The increase in this surplus has 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.

Summary and Outlook

During the past year, the Council was able to maintain and strengthen its financial stability in a period of declining or stagnant enrollment. It was able to be successful in many new initiatives such as Junior Kindergarten and Self Regulation which benefitted the teaching staff and brought in additional funding. An Aboriginal Language Instructor program in partnership with the University of Victoria, ECE and Aurora College provided potential new instructors for retiring senior teachers and strengthened our relationship with the community and First Nations. Council governance was improved through Trustee and Council training and development. Moving forward, the Council's goals for the upcoming year are to:

- continue to focus on student achievement in the area of literacy,
- support teachers with professional development and in-service in the areas of Self Regulation, Inclusive Learning and improved classroom instruction,
- continue to collaborate with our partners to provide courses for the Diploma in Indigenous Language Revitalization
- participate in Education Renewal and Innovation Initiatives: Distance Learning, Aboriginal Language Mentorship Pilot, Fourth R, Self-Regulation and Resiliency
- improve our monitoring and evaluation practices in the area of record keeping and performance appraisals
- develop succession plans for senior staff in key positions.

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.



Terry Jaffray
Superintendent
Dehcho Divisional Education Council

11 09 15
Date



David Fiebelkorn, CGA
Comptroller
Dehcho Divisional Education Council

Sept 11 / 15
Date

AUDITORS' REPORT

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

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, 2015, and the consolidated statements of operations and surplus, 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 generally accepted 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, 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.

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 effect of adjustments, if any, which might have been determined to be necessary had we been able to do a complete payroll audit, these consolidated financial statements present fairly, in all material respects, the financial position of the Education Body as at June 30, 2015 and the results of its operations and cash flow for the year then ended in accordance with the basis of accounting required by the Government of the Northwest Territories as described in Note 2 to the consolidated financial statements.

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 12, 2015

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Financial Position

June 30, 2015

	2015	*2014
FINANCIAL ASSETS		
Cash and cash equivalents, Note 4	\$ 3,040,150	\$ 2,464,198
Special purpose funds, Note 5	267,937	176,518
Due from Government of Canada, Note 13	-	-
Accounts receivable, Note 8	97,056	64,092
	<u>\$ 3,405,143</u>	<u>\$ 2,704,808</u>

LIABILITIES

Accounts payable and accrued liabilities, Note 10	\$ 644,337	\$ 600,960
Payroll liabilities, Note 35	1,070,077	1,065,598
Contributions repayable, Note 12	57,238	110,217
Due to the Government of Canada, Note 13	1,455	-
Deferred revenue, Note 11	145,560	80,255
Post-employment benefits, Note 17	1,289,776	1,098,187
Trust Liabilities, Note 18	36,210	29,822
	<u>3,244,653</u>	<u>2,985,039</u>
Net Assets (Deficit)	<u>\$ 160,490</u>	<u>\$ (280,231)</u>

NON-FINANCIAL ASSETS

Prepaid expenses, Note 20	\$ 20,000	\$ 20,000
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ACCUMULATED SURPLUS (DEFICIT)	<u>\$ 180,490</u>	<u>\$ (260,231)</u>
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* Reclassified for comparative purposes

Represented by:

Operating surplus

Divisional Education Council	\$ (114,151)	\$ (541,506)
District Education Authorities	294,641	281,275

	<u>\$ 180,490</u>	<u>\$ (260,231)</u>
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Contractual obligations, Note 24

Contingencies, Note 25

Approved: Albertine Nadle Chair

Kathy Chaudhry Vice-chair

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Operations and Surplus

For the year ended June 30, 2015

	Budget 2015	Actual 2015	Actual *2014
Revenue			
Government of the NWT			
ECE regular contribution	\$ 14,295,964	\$ 14,616,233	\$ 14,190,968
Less: infrastructure repayable	-	(57,238)	(110,217)
Teaching and learning centres	-	-	-
French language instructions	-	-	-
ECE other contributions, Note 33	128,000	123,000	123,000
Total ECE contributions	14,423,964	14,681,995	14,203,751
GNWT other contributions, Note 34	-	209,560	407,173
Total GNWT	14,423,964	14,891,555	14,610,924
Government of Canada contributions	-	-	-
	14,423,964	14,891,555	14,610,924
Self-Generated Funds			
Rentals	36,000	30,150	26,530
Investment income	15,000	22,919	13,833
Contract and other	203,523	285,979	148,520
	254,523	339,048	188,883
Education authority generated funds, Schedule B-1	-	270,678	198,271
GNWT contributions to Education Authorities, Schedule B-1	-	138,109	190,361
	-	408,787	388,632
	14,678,487	15,639,390	15,188,439
Expenses			
Council administration	1,129,631	1,315,038	1,079,072
School programs	8,625,880	8,606,617	9,219,765
Inclusive schooling	2,657,738	2,798,947	2,800,811
Student accommodation	-	315,971	302,392
Operations and maintenance	751,396	784,159	796,591
Aboriginal language/cultural programs	1,311,134	1,377,937	996,712
Amortization	-	-	-
	14,475,779	15,198,669	15,195,343
Operating surplus (deficit)	\$ 202,708	\$ 440,721	\$ (6,904)
Accumulated surplus (deficit), beginning of year		(260,231)	(253,327)
Accumulated surplus (deficit), end of year		\$ 180,490	\$ (260,231)

* Reclassified for comparative purposes

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Change in Net Assets (Debt)

For the year ended June 30, 2015

	2015	2014
Operating Surplus (Deficit)	440,721	(6,904)
Amortization of tangible assets	-	-
Net change in prepaids	-	-
(Increase) Decrease in net debt	440,721	(6,904)
Net assets (debt) beginning of the year	(280,231)	(273,327)
Net assets (debt) end of year	\$ 160,490	\$ (280,231)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Statement of Cash Flow

For the year ended June 30, 2015

	2015	2014
Operating Activities		
Operating Surplus (Deficit)	\$ 440,721	\$ (6,904)
Items not affecting cash:		
Amortization	-	-
Changes in non-cash assets and liabilities		
Decrease (increase) in due from the Government of Canada	-	-
Decrease (increase) in trust assets	-	-
Decrease (increase) in accounts receivable	(32,964)	(9,505)
Increase (decrease) in accounts payable	43,377	475,664
Increase (decrease) in payroll liabilities	4,479	70,174
Increase (decrease) in contributions repayable	(52,979)	78,185
Increase (decrease) in due to the Government of Canada	1,455	-
Increase (decrease) in deferred revenues	65,305	(88,650)
Increase (decrease) in post-employment benefits	191,589	51,310
Increase (decrease) in trust liabilities	6,388	14,140
Decrease (increase) in prepaids	-	-
	226,650	591,318
Cash provided by operating transactions	667,371	584,414
Financing Activities		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
Cash provided by (used for) financing activities	-	-
Investing Activities		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash provided by (used for) investing transactions	-	-
Capital transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash used for capital transactions	-	-
Increase (Decrease) in cash and cash equivalents	667,371	584,414
Cash and cash equivalents, beginning of year	2,640,716	2,056,302
Cash and cash equivalents, end of year	\$ 3,308,087	\$ 2,640,716
Cash consists of :		
Cash, Note 4	\$ 3,040,150	\$ 2,464,198
Special purpose funds, Note 5	267,937	176,518
	\$ 3,308,087	\$ 2,640,716

DEHCHO DIVISIONAL EDUCATION COUNCIL

Consolidated Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	2015 Total	2015 Budget	2014 Total
Salaries										
Teachers' salaries	\$ 6,560,386	\$ 1,021,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,582,296	\$ 7,623,222	\$ 7,243,566
Consultants	-	207,513	-	-	-	-	-	207,513	-	239,514
Instruction assistants	-	1,367,430	-	-	-	892,095	-	2,259,525	1,939,718	2,180,980
Non-instructional staff	827,744	-	-	715,026	806,667	327,439	-	2,676,876	2,492,408	2,401,168
Board/Trustee Honoraria	-	-	-	-	50,817	38,673	-	89,490	66,000	51,981
	7,388,130	2,596,853	-	715,026	857,484	1,258,207	-	12,815,700	12,121,348	12,117,209
Employee Benefits										
Employee benefits and allowances	154,460	36,845	-	10,028	31,655	16,095	-	249,083	218,194	161,484
Leave and termination	-	46,359	-	-	-	-	-	46,359	131,949	152,300
	154,460	83,204	-	10,028	31,655	16,095	-	295,442	350,143	313,784
Services Purchased/Contracted										
Professional/Technical Services	-	-	-	-	28,228	-	-	28,228	55,000	18,819
Postage/Communication	58,510	-	3,203	-	28,238	-	-	89,951	68,000	75,762
Utilities	6,235	-	-	29,060	1,028	-	-	36,323	-	25,072
Travel	239,795	46,304	46,211	-	163,477	12,927	-	508,714	536,000	484,100
Student Travel (Bussing)	14,674	-	-	-	78,500	1,000	-	94,174	162,000	-
Advertising/Printing/Publishing	-	-	-	-	125	8,168	-	8,293	21,000	8,479
Maintenance/Repair	-	-	-	-	17,955	-	-	17,955	20,000	18,113
Rentals/Leases	22,682	-	-	23,992	21,010	-	-	67,684	112,397	62,296
Other - Student Awards	15,465	-	-	-	18,605	-	-	34,070	-	11,714
Other - Contracted Services	24,466	70,147	245,625	5,703	30,842	150	-	376,933	115,000	399,781
Other - School Programs	90,259	-	-	-	-	34,465	-	124,724	-	1,035,222
Other - Miscellaneous	-	-	-	-	16,450	-	-	16,450	148,500	26,909
	472,086	116,451	295,039	58,755	404,458	56,710	-	1,403,499	1,237,897	2,166,267
Materials, Supplies and Freight										
Materials	563,436	1,986	20,825	350	21,294	45,208	-	653,099	722,891	570,098
Freight	28,505	453	107	-	147	1,717	-	30,929	43,500	27,985
	591,941	2,439	20,932	350	21,441	46,925	-	684,028	766,391	598,083
Contributions and Transfers										
Transfers	-	-	-	-	-	-	-	-	-	-
Amortization										
	-	-	-	-	-	-	-	-	-	-
Total	\$ 8,606,617	\$ 2,798,947	\$ 315,971	\$ 784,159	\$ 1,315,038	\$ 1,377,937	\$ -	\$ 15,198,669	\$ 14,475,779	\$ 15,195,343

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-based Education Expenses

For the year ended June 30, 2015

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	2015 Total
Salaries					
ALCBE teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Language consultants	-	-	-	-	-
Instruction assistants	917,553	-	-	-	917,553
Non-instructional staff	52,511	216,878	-	-	269,389
Elders in schools	-	-	-	38,673	38,673
	970,064	216,878	-	38,673	1,225,615
Employee Benefits					
Employee benefits and allowances	-	16,095	-	-	16,095
Services Purchased/Contracted					
Professional services	-	-	-	-	-
Postage and communication	-	-	-	-	-
Travel	8,112	-	-	-	8,112
Student transportation	-	-	-	-	-
Advertising, printing and publishing	8,168	-	-	-	8,168
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	-	-	-	-	-
	16,280	-	-	-	16,280
Materials, Supplies and Freight					
Materials	-	42,639	-	-	42,639
Freight	-	1,717	-	-	1,717
	-	44,356	-	-	44,356
Total	\$ 986,344	\$ 277,329	\$ -	\$ 38,673	\$ 1,302,346

DEHCHO DIVISIONAL EDUCATION COUNCIL

Inclusive Schooling Expenses

For the year ended June 30, 2015

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,021,910	\$ 1,021,910
Consultants	-	-	-	-	-	-	207,513	207,513
Instruction assistants	-	-	-	-	-	-	1,367,430	1,367,430
Non-instructional staff	-	-	-	-	-	-	-	-
Honoraria	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	2,596,853	2,596,853
Employee Benefits								
Employee benefits and allowances	-	-	-	-	-	-	83,204	83,204
Services Purchased/Contracted								
Professional and technical services	-	-	-	-	-	-	-	-
Travel	-	46,304	-	-	-	-	-	46,304
Student transportation	-	-	-	-	-	-	-	-
Advertising, printing and publishing	-	-	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-	-	-
Rentals and leases	-	-	-	-	-	-	-	-
Other contracted services	-	70,147	-	-	-	-	-	70,147
	-	116,451	-	-	-	-	-	116,451
Materials, Supplies and Freight								
Materials	-	-	-	-	-	-	1,986	1,986
Freight	-	-	-	-	-	-	453	453
	-	-	-	-	-	-	2,439	2,439
Total	\$ -	\$ 116,451	\$ -	\$ -	\$ -	\$ -	\$ 2,682,496	\$ 2,798,947

DEHCHO DIVISIONAL EDUCATION COUNCIL

French Language Program

For the year ended June 30, 2015

	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	\$ 79,326	\$ (29,326)

DEHCHO DIVISIONAL EDUCATION COUNCIL

Aboriginal Languages - Teaching and Learning Center

For the year ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total Fiscal Year 2014/2015
Revenue			
Funding received	\$ 73,000	\$ -	\$ 73,000
Expenditure			
Salaries	-	-	-
Resources	-	3,599	3,599
Workshops	36,517	19,679	56,196
Other O & M	-	-	-
Deficit Funding - June 30 Prev yr	-	-	-
	<u>36,517</u>	<u>23,278</u>	<u>59,795</u>
Surplus (Deficit), March 31, 2015	\$ <u>36,483</u>		
Surplus (Deficit), June 30, 2015		\$ <u>(23,278)</u>	
Surplus (Deficit) - Total			\$ <u>13,205</u>

DEHCHO DIVISIONAL EDUCATION COUNCIL

Infrastructure Funding

For the year ended June 30, 2015

	2015	2014
Personnel		
Revenue		
Contributions	\$ 209,524	\$ 259,777
Expenditure		
Staffing:		
Applicant Travel	14,639	10,576
Advertising	1,595	1,595
Employee Benefits:		
Removal in	53,578	33,803
Ultimate Removal	19,655	42,514
Workers' Compensation	80,751	71,197
	170,218	159,685
Surplus(Deficit)	\$ 39,306	\$ 100,092
Leases Infrastructure		
Revenue		
Contributions	\$ 60,192	\$ 48,397
Expenditure		
Housing:		
Utilities	29,060	25,072
Leases	13,200	13,200
	42,260	38,272
Surplus(Deficit)	\$ 17,932	\$ 10,125
Total Surplus(Deficit)	\$ 57,238	\$ 110,217

DEHCHO DIVISIONAL EDUCATION COUNCIL

Student Success Initiative Projects

For the year ended June 30, 2015

	2015	2014
Revenue		
GNWT - Education, Culture & Employment	\$ 55,000	\$ 55,000
NWT Teachers Association	57,529	61,656
	<u>112,529</u>	<u>116,656</u>
Expenditure		
Salaries and wages		
Substitute teacher wages	2,511	8,650
Staff	45,000	45,000
Travel		
Facilitator travel	935	4,322
Air Charter	3,126	11,343
Staff travel	19,782	9,367
Accommodations	1,800	4,705
Per diems	7,737	6,725
Student resources		
Room rental	-	416
Refreshments	441	14,622
Resources	3,652	7,379
Stationary printing	5,002	-
	<u>89,986</u>	<u>112,529</u>
Surplus (Deficit)	\$ 22,543	\$ 4,127

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 1. Dehcho Divisional Education Council

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

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

Note 2. Summary of Significant Accounting Policies

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.

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.

Financial Instruments

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

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

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

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 2. Summary of Significant Accounting Policies (continued)

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, asset is recognized in operations.

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.

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.

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.

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 2. Summary of Significant Accounting Policies (continued)

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

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.

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*.

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.

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 2. Summary of Significant Accounting Policies (continued)

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.

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.

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.

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.

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.

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

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, 2016. The impact of the transition to these changes has not yet been determined.

Inter-entity Transactions - Section PS 3420

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

Student Activity/Fiduciary Funds Policy

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

Note 4. Cash and Cash Equivalents

	2015	2014
Cash	\$ 3,040,150	\$ 2,405,640
Short term investments	-	58,558
Cash	\$ 3,040,150	\$ 2,464,198

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.

	2015	2014
Fort Simpson (Bompas Elementary/Thomas Simpson Secondary Schools)	\$ 89,155	\$ 49,835
Fort Providence (Deh Gah Elementary/Secondary Schools)	23,408	56,584
Fort Liard (Echo-Dene School)	23,063	13,601
Jean Marie River (Louie Norwegian School)	16,067	2,484
Wrigley (Chief Julian Yendo School)	44,896	9,303
Nahanni Butte (Charles Yohin School)	24,518	10,239
Trout Lake (Charles Tetcho School)	253	(2,029)
Kakisa Lake (Territorial School - Kakisa Lake School)	46,577	36,501
	\$ 267,937	\$ 176,518

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

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

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

Note 8. **Accounts Receivable**

	Receivables 2015	AFDA 2015	Net 2015	Net 2014
GNWT - ECE	\$ 29,646	-	\$ 29,646	\$ 36,624
GNWT - MACA	-	-	-	3,013
GNWT - Finance	718	-	718	571
GNWT - PWS	-	-	-	2,100
GNWT - ITI	7,560	-	7,560	-
Aurora College	14,812	-	14,812	557
Total Due from GNWT	52,736	-	52,736	42,865
Government of Canada	-	-	-	-
WSCC	-	-	-	-
Other	44,320	-	44,320	21,227
	\$ 97,056	-	\$ 97,056	64,092

Note 9. **Inventories - Not Applicable**

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

	2015	2014
GNWT - Human Resources	\$ 541,875	\$ 484,714
GNWT	5,836	7,623
Government of Canada	1,455	-
WSCC	-	16,043
Employee source deductions	732	927
Accounts payable and accrued liabilities	95,894	91,653
	\$ 645,792	\$ 600,960

Note 11. **Deferred Revenue**

	2015	2014
GNWT - MACA		
Sport and Recreation	\$ 34,000	\$ 8,540
Healthy Choices	-	5,800
Physical Literacy	80,424	18,288
Bike Safety	-	2,382
Resiliency Training	31,136	-
GNWT - ITI		
After School Program	-	45,245
	\$ 145,560	\$ 80,255

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 12. Contribution Repayable

	2015	2014
GNWT - ECE Infrastructure funding	\$ 57,238	\$ 110,217

Note 13. Due From and To the Government of Canada

	2015	2014
Receivables		
Projects	\$ -	\$ -
Miscellaneous receivables	-	-
	\$ -	\$ -
Payables		
Advances on projects	\$ -	\$ -
Miscellaneous payables	1,455	-
	\$ 1,455	\$ -

Note 14. Capital Lease Obligations - Not Applicable

Note 15. Pension - Not Applicable

Note 16. Long-term Debt - Not Applicable

Note 17. Post-employment Benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn severance remuneration based upon the number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Annual leave is payable within one fiscal year. Payment of severance and relocation amounts is dependent upon the date the employee leaves the Education Body

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

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

	2015	2014
Removal	\$ 463,525	\$ 443,870
Termination, severance, resignation, retirement	774,310	636,901
Leave*	51,941	17,416
	1,289,776	1,098,187
Less: current portion	(51,941)	(17,416)
Long-term portion	\$ 1,237,835	\$ 1,080,771

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 17. Post-employment Benefits (continued)

* Leave

- includes annual and lieu (UNW, Excluded, Senior Management, Contract)
- includes leave banks as well as leave accruals and leave payouts due
- is considered to be a short-term liability for the purposes of distinguishing employee leave and termination benefits not short-term and long-term categories.

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.

	2015		2014	
Superintendent Fund	\$	10,020	\$	3,915
Steve Rowan Memorial Scholarship Fund		14,493		14,337
Mercedes Benz Scholarship Fund		11,697		11,570
	\$	36,210	\$	29,822

Note 19. Tangible Capital Asset - Not Applicable

Note 20. Prepaid Expenses

	2015		2014	
CIBC Visa Deposit	\$	20,000	\$	20,000

Note 21. Accumulated Surplus/Deficit - Not Applicable

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

Note 22. Capital Advances - Not Applicable

Note 23. GNWT Assets Provided at No Cost

	Cost	Accumulated Amortization	2015 Net Book Value	2015 Net Book Value
Buildings				
Schools and colleges	\$ 26,299,097	\$ 16,029,672	\$ 10,269,425	\$ 11,138,927
Residences	843,808	469,434	374,374	395,465
Staff Housing	287,453	194,823	92,630	99,814
	\$ 27,430,358	\$ 16,693,929	\$ 10,736,429	\$ 11,634,206

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 24. Contractual Obligations

At June 30, 2015, the Education Body had outstanding purchase order commitments for goods and services ordered, but not yet received, totaling \$22,081 (June 30, 2015 - \$9,831).

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*	2016	2017 - 2020	Total
Equipment leases	2020	\$ 42,400	\$ 64,736	\$ 107,136
Operational leases	2016	126,788	-	126,788
		\$ 169,188	\$ 64,736	\$ 233,924

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

Note 25. Contingencies - Not Applicable

Note 26. Related Parties

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

	2015	2014
Revenues		
ECE Regular contribution	\$ 14,616,233	\$ 14,190,968
ECE other contributions, Note 33	123,000	123,000
GNWT other contributions, Note 34	209,560	407,173
GNWT contributions to Education Authorities, Schedule B-1	138,109	190,361
	\$ 15,086,902	\$ 14,911,502
Accounts receivable, Note 8		
Aurora College	\$ 14,812	\$ 557
MACA - Various contributions	-	3,013
PW&S - Janitorial services	-	2,100
ECE - Various contributions/reimbursements	29,646	36,624
Finance - interest	718	571
ITI - various contributions	7,560	-
	\$ 52,736	\$ 42,865
Accounts payable, Note 10		
Human Resources - wages	\$ 541,875	\$ 484,714
Finance - other	5,836	7,623
	\$ 547,711	\$ 492,337

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 26. Related Parties (continued)

Contributions Repayable, Note 12			
ECE - Contributions repayable - Infrastructure funding	\$	57,238	\$ 110,217
Deferred Revenues, Note 11			
GNWT - MACA	\$	145,560	\$ 35,010
GNWT - ITI		-	45,245
	\$	145,560	\$ 80,255

Note 27. Budget

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget, as outlined in Section 117, Duties and Powers of Education Bodies. The budget is legally adopted by a motion of the Education Body which may or may not include the establishment of a tax levy to support the approved budget in accordance with Section 135, Assessment and Taxation, of the Education Act.

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

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

Note 28. Economic Dependence

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

Note 29. Financial Instruments

The Education Body is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Education Body's risk exposure and concentration as of June 30, 2015.

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.

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 29. Financial Instruments (continued)

Currency risk

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

Interest rate risk

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

Note 30. Expenses by Object

	2015 Budget	2015 Actual	2014 Actual
Compensation	\$ 12,471,491	\$ 13,111,142	\$ 12,430,993
Professional/Technical Services	55,000	28,228	18,819
Postage/Communication	68,000	89,951	75,762
Utilities	-	36,323	25,072
Travel	536,000	508,714	484,100
Student Travel (Bussing)	162,000	94,174	-
Advertising/Printing/Publishing	21,000	8,293	8,479
Maintenance/Repair	20,000	17,955	18,113
Rentals/Leases	112,397	67,684	62,296
Other - Student Awards	-	34,070	11,714
Other - Contracted Services	115,000	376,933	399,781
Other - School Programs	-	124,724	1,035,222
Other - Miscellaneous	148,500	16,450	26,909
Materials, Supplies and Freight	766,391	684,028	598,083
Amortization	-	-	-
	\$ 14,475,779	\$ 15,198,669	\$ 15,195,343

Note 31. Subsequent Events - Not Applicable

Note 32. Comparative Figures

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

Note 33. Other ECE Revenue

	2015	2014
Aboriginal languages	\$ 73,000	\$ 73,000
French language	50,000	50,000
	\$ 123,000	\$ 123,000

DEHCHO DIVISIONAL EDUCATION COUNCIL

Notes to the Consolidated Financial Statements

June 30, 2015

Note 34. GNWT - Other Contributions

	2015	2014
MACA		
Sports and youth programs	\$ 41,869	\$ 119,853
Sport strategy	127,140	127,140
Children and youth resiliency	51,136	-
Active after school	30,600	-
Healthy choices	-	5,800
ITI		
Active after school	-	58,245
Take a kid trapping	9,000	29,124
ECE		
Northern grad employment	-	31,250
HSS		
Drop the pop	15,120	26,219
Deferred revenue, opening	80,255	89,797
Deferred revenue, closing	(145,560)	(80,255)
	\$ 209,560	\$ 407,173

Note 35. Payroll Liabilities

The following amounts have been accrued by the Education Body:

	2015	2014
UNW School Year	\$ 590,473	\$ 570,696
NWTTA	479,604	494,902
	\$ 1,070,077	\$ 1,065,598

Note 36. Statement of Remeasurement Gains and Losses - Not Applicable

DEHCHO DIVISIONAL EDUCATION COUNCIL

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

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
GNWT - ECE core contribution	\$ 14,295,964	\$ 14,616,233	\$ 14,190,968
Less: infrastructure repayable	-	(57,238)	(110,217)
GNWT - ECE other contributions	128,000	123,000	123,000
	14,423,964	14,681,995	14,203,751
GNWT - other contributions	-	209,560	407,173
Government of Canada contributions	-	-	-
Self-Generated Funds			
Rentals	36,000	30,150	26,530
Investment income	15,000	22,919	13,833
Contract and other	203,523	285,979	148,520
	254,523	339,048	188,883
	14,678,487	15,230,603	14,799,807
Expenditure			
School programs	8,625,880	8,617,193	8,932,041
Inclusive schooling	2,657,738	2,798,947	2,800,811
Student accommodations	-	315,971	302,392
Operations and maintenance	751,396	764,767	723,689
Council administration	1,129,631	1,004,024	988,508
Aboriginal languages	1,311,134	1,302,346	996,712
Fiscal and transfers	-	-	-
	14,475,779	14,803,248	14,744,153
Excess (Deficiency) of Revenue over Expenditure	\$ 202,708	\$ 427,355	\$ 55,654
Accumulated surplus (deficit), beginning of year		(541,506)	(597,160)
Accumulated surplus (deficit), end of year		\$ (114,151)	\$ (541,506)

DEHCHO DIVISIONAL EDUCATION COUNCIL

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

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	2015 Total	2015 Budget	*2014 Total
Salaries										
Teachers' salaries	\$ 6,560,386	\$ 1,021,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,582,296	\$ 7,623,222	\$ 7,334,562
Consultants	-	207,513	-	-	-	-	-	207,513	-	239,514
Instruction Assistant	-	1,367,430	-	-	-	917,553	-	2,284,983	1,939,718	2,180,980
Non Instructional Staff	760,024	-	-	706,776	749,715	269,389	-	2,485,904	2,492,408	2,559,715
Board/Trustee Honoraria	-	-	-	-	20,175	38,673	-	58,848	66,000	51,981
	7,320,410	2,596,853	-	706,776	769,890	1,225,615	-	12,619,544	12,121,348	12,366,752
Employee Benefits										
Employee benefits and allowances	103,863	36,845	-	10,028	10,923	16,095	-	177,754	218,194	161,484
Leave and termination	-	46,359	-	-	-	-	-	46,359	131,949	152,300
	103,863	83,204	-	10,028	10,923	16,095	-	224,113	350,143	313,784
Services Purchased/Contracted										
Professional/Technical Services	-	-	-	-	23,294	-	-	23,294	55,000	18,819
Postage/Communication	58,510	-	3,203	-	27,749	-	-	89,462	68,000	75,762
Utilities	-	-	-	29,060	-	-	-	29,060	-	25,072
Travel	240,791	46,304	46,211	-	81,788	8,112	-	423,206	536,000	491,538
Student Travel (Bussing)	56,825	-	-	-	-	-	-	56,825	162,000	52,586
Advertising/Printing/Publishing	-	-	-	-	125	8,168	-	8,293	21,000	8,479
Maintenance/Repair	-	-	-	-	17,955	-	-	17,955	20,000	22,332
Rentals/Leases	22,682	-	-	13,200	21,010	-	-	56,892	112,397	62,296
Other - Student Awards	-	-	-	-	18,540	-	-	18,540	-	11,714
Other - Contracted Services	21,514	70,147	245,625	5,703	-	-	-	342,989	115,000	417,235
Other - School Programs	-	-	-	-	-	-	-	-	-	-
Other - Miscellaneous	-	-	-	-	16,450	-	-	16,450	148,500	26,909
	400,322	116,451	295,039	47,963	206,911	16,280	-	1,082,966	1,237,897	1,212,742
Materials, Supplies and Freight										
Materials	556,769	1,986	20,825	-	16,300	42,639	-	638,519	722,891	614,521
Freight	28,505	453	107	-	-	1,717	-	30,782	43,500	27,985
	585,274	2,439	20,932	-	16,300	44,356	-	669,301	766,391	642,506
Contributions and Transfers										
Transfers to DEA	207,324	-	-	-	-	-	-	207,324	-	208,369
Amortization										
	-	-	-	-	-	-	-	-	-	-
Total	\$ 8,617,193	\$ 2,798,947	\$ 315,971	\$ 764,767	\$ 1,004,024	\$ 1,302,346	\$ -	\$ 14,803,248	\$ 14,475,779	\$ 14,744,153

* Reclassified for comparative purposes

DEHCHO DIVISIONAL EDUCATION COUNCIL

Schedule B-1 - District Education Authority Operations (Summary)

Non-Consolidated

For the year ended June 30, 2015

	Fort Simpson	Fort Providence	Fort Liard	Jean Marie River	Wrigley	Nahanni Butte	Trout Lake	Kakisa Lake	Total
Revenue									
Operating contributions from Divisional Council	\$ 50,992	\$ 46,577	\$ 27,598	\$ 15,835	\$ 18,040	\$ 15,767	\$ 17,226	\$ 15,289	\$ 207,324
Other contributions from Divisional Council	68,712	232,681	44,395	31,529	-	-	26,361	910	404,588
Contributions from GNWT	48,190	89,919	-	-	-	-	-	-	138,109
Other	153,177	40,974	-	2,226	41,347	3,075	73	29,806	270,678
	321,071	410,151	71,993	49,590	59,387	18,842	43,660	46,005	1,020,699
Expenditure									
Administration	153,871	146,802	11,439	13,370	19,848	1,313	11,933	7,203	365,779
School programs	144,985	271,730	33,593	10,326	2,721	2,750	1,267	4,132	471,504
Inclusive schooling	-	-	-	-	-	-	-	-	-
Student accommodations	-	-	-	-	-	-	-	-	-
Operations and maintenance	10,292	-	-	350	-	500	7,360	890	19,392
Aboriginal language/cultural programs	24,209	57,784	18,024	4,984	1,225	-	20,818	23,614	150,658
	333,357	476,316	63,056	29,030	23,794	4,563	41,378	35,839	1,007,333
Excess (Deficiency) of Revenue over Expenditure	(12,286)	(66,165)	8,937	20,560	35,593	14,279	2,282	10,166	13,366
Accumulated surplus, beginning of year	120,578	90,073	14,126	2,484	9,303	10,239	(2,029)	36,501	281,275
Accumulated surplus, end of year	\$ 108,292	\$ 23,908	\$ 23,063	\$ 23,044	\$ 44,896	\$ 24,518	\$ 253	\$ 46,667	\$ 294,641
Composition of Ending Accumulated Surplus									
Cash	\$ 89,155	\$ 23,408	\$ 23,063	\$ 16,067	\$ 44,896	\$ 24,518	\$ 253	\$ 46,577	\$ 267,937
Short term investments	-	-	-	-	-	-	-	-	-
Accounts receivable	19,137	500	-	6,977	-	-	6,642	90	33,346
Accounts payable	-	-	-	-	-	-	(6,642)	-	(6,642)
	\$ 108,292	\$ 23,908	\$ 23,063	\$ 23,044	\$ 44,896	\$ 24,518	\$ 253	\$ 46,667	\$ 294,641

DEHCHO DIVISIONAL EDUCATION COUNCIL

Schedule B-2 - Details of DEA Expenses

Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Council Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	195,042	-	-	8,250	62,655	81,792	347,739
Board/Trustee Honorarium	-	-	-	-	30,642	-	30,642
	195,042	-	-	8,250	93,297	81,792	378,381
Employee Benefits							
Employee Benefits and Allowances	50,597	-	-	-	20,732	-	71,329
Leave and Termination	-	-	-	-	-	-	-
	50,597	-	-	-	20,732	-	71,329
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	4,934	-	4,934
Postage/Communication	-	-	-	-	489	-	489
Utilities	6,235	-	-	-	1,028	-	7,263
Travel	23,962	-	-	-	81,689	4,815	110,466
Student Travel (Bussing)	14,674	-	-	-	78,500	1,000	94,174
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	10,792	-	-	10,792
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	15,465	-	-	-	65	-	15,530
Other - Contracted Services	2,952	-	-	-	30,842	150	33,944
Other - School Programs	90,259	-	-	-	-	34,465	124,724
	153,547	-	-	10,792	197,547	40,430	402,316
Materials/Supplies/Freight							
Materials	72,318	-	-	350	54,056	28,436	155,160
Freight	-	-	-	-	147	-	147
	72,318	-	-	350	54,203	28,436	155,307
Total	\$ 471,504	\$ -	\$ -	\$ 19,392	\$ 365,779	\$ 150,658	1,007,333

FORT SIMPSON

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenues			
Contributions from Divisional Council	\$ 50,992	\$ 50,992	\$ 48,132
Other - DehCho DEC	-	68,712	68,552
Other - Contributions from GNWT	-	48,190	26,061
Other	-	153,177	123,287
	50,992	321,071	266,032
Expenses			
Administration	11,400	153,871	12,396
School programs	-	144,985	240,060
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	10,292	62,500
Aboriginal language/cultural programs	39,592	24,209	-
	\$ 50,992	333,357	314,956
Surplus (Deficit)	-	(12,286)	(48,924)
Opening equity		120,578	169,502
Closing equity		\$ 108,292	\$ 120,578
Composition of Closing Equity			
Cash		\$ 89,155	\$ 49,835
GIC		-	58,558
Accounts Receivable		19,137	12,185
Accounts Payable		-	-
		\$ 108,292	\$ 120,578

FORT SIMPSON

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	51,458	-	-	-	-	18,220	69,678
Board/Trustee Honoraria	-	-	-	-	3,052	-	3,052
	51,458	-	-	-	3,052	18,220	72,730
Employee Benefits							
Employee Benefits/Allowances	10,161	-	-	-	16,632	-	26,793
Leave and Termination Benefits	-	-	-	-	-	-	-
	10,161	-	-	-	16,632	-	26,793
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	489	-	489
Utilities	6,235	-	-	-	-	-	6,235
Travel	14,148	-	-	-	37,867	99	52,114
Student Travel (Bussing)	13,042	-	-	-	78,500	1,000	92,542
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	10,292	-	-	10,292
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	2,889	-	-	-	-	-	2,889
Other - Contracted Services	2,952	-	-	-	13,156	-	16,108
Other - School Programs	21,127	-	-	-	-	-	21,127
	60,393	-	-	10,292	130,012	1,099	201,796
Materials/Supplies/Freight							
Materials	22,973	-	-	-	4,028	4,890	31,891
Freight	-	-	-	-	147	-	147
	22,973	-	-	-	4,175	4,890	32,038
Total	\$ 144,985	\$ -	\$ -	10,292	\$ 153,871	\$ 24,209	\$ 333,357

FORT PROVIDENCE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 46,577	\$ 46,577	\$ 47,017
Other - DehCho DEC	-	232,681	265,544
Other - Contributions from GNWT	-	89,919	164,300
Other	-	40,974	37,730
	<u>46,577</u>	<u>410,151</u>	<u>514,591</u>
Expenses			
Administration	21,275	146,802	55,081
School programs	-	271,730	459,055
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	25,302	57,784	-
	<u>46,577</u>	<u>476,316</u>	<u>514,136</u>
Surplus (Deficit)	-	(66,165)	455
Opening equity		90,073	89,618
Closing equity		\$ 23,908	\$ 90,073
Composition of Closing Equity			
Cash		\$ 23,408	\$ 56,584
Accounts Receivable		500	46,355
Accounts Payable		-	(12,866)
		<u>\$ 23,908</u>	<u>\$ 90,073</u>

FORT PROVIDENCE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	143,584	-	-	-	50,073	34,673	228,330
Board/Trustee Honoraria	-	-	-	-	9,488	-	9,488
	143,584	-	-	-	59,561	34,673	237,818
Employee Benefits							
Employee Benefits/Allowances	40,436	-	-	-	2,930	-	43,366
Leave and Termination Benefits	-	-	-	-	-	-	-
	40,436	-	-	-	2,930	-	43,366
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	1,028	-	1,028
Travel	4,574	-	-	-	25,084	4,716	34,374
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	891	-	-	-	-	-	891
Other - Contracted Services	-	-	-	-	15,187	-	15,187
Other - School Programs	35,365	-	-	-	-	4,000	39,365
	40,830	-	-	-	41,299	8,716	90,845
Materials/Supplies/Freight							
Materials	46,880	-	-	-	43,012	14,395	104,287
Freight	-	-	-	-	-	-	-
	46,880	-	-	-	43,012	14,395	104,287
Total	\$ 271,730	\$ -	\$ -	\$ -	\$ 146,802	\$ 57,784	\$ 476,316

FORT LIARD

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 27,598	\$ 27,598	\$ 27,158
Other - DehCho DEC	-	44,395	29,794
Other - Contributions from GNWT	-	-	-
Other	-	-	1,162
	27,598	71,993	58,114
Expenses			
Administration	9,250	11,439	13,952
School programs	-	33,593	49,551
Inclusive Schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	18,348	18,024	-
	27,598	63,056	63,503
Surplus (Deficit)	-	8,937	(5,389)
Opening equity		14,126	19,515
Closing equity		\$ 23,063	\$ 14,126
Composition of Closing Equity			
Cash		\$ 23,063	\$ 13,601
Accounts Receivable		-	525
Accounts Payable		-	-
		23,063	14,126

FORT LIARD

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	8,954	8,954
Board/Trustee Honoraria	-	-	-	-	4,321	-	4,321
	-	-	-	-	4,321	8,954	13,275
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	4,412	-	-	-	-	-	4,412
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	9,482	-	-	-	-	-	9,482
Other - Contracted Services	-	-	-	-	313	150	463
Other - School Programs	19,699	-	-	-	-	6,851	26,550
	33,593	-	-	-	313	7,001	40,907
Materials/Supplies/Freight							
Materials	-	-	-	-	6,805	2,069	8,874
Freight	-	-	-	-	-	-	-
	-	-	-	-	6,805	2,069	8,874
Total	\$ 33,593	\$ -	\$ -	\$ -	\$ 11,439	\$ 18,024	\$ 63,056

JEAN MARIE RIVER

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenues			
Contributions from Divisional Council	\$ 15,835	\$ 15,835	\$ 15,945
Other - DehCho DEC	-	31,529	-
Other - Contributions from GNWT	-	-	-
Other	-	2,226	-
	15,835	49,590	15,945
Expenses			
Administration	10,950	13,370	18,281
School programs	-	10,326	25,889
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	350	-
Aboriginal language/cultural programs	4,885	4,984	-
	\$ 15,835	29,030	44,170
Surplus (Deficit)	-	20,560	(28,225)
Opening equity		2,484	30,709
Closing equity		\$ 23,044	\$ 2,484
Composition of Closing Equity			
Cash		\$ 16,067	\$ 2,484
Accounts Receivable		6,977	-
Accounts Payable		-	-
		23,044	2,484

JEAN MARIE RIVER

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	4,050	3,870	7,920
Board/Trustee Honoraria	-	-	-	-	3,630	-	3,630
	-	-	-	-	7,680	3,870	11,550
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	4,840	-	4,840
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	828	-	-	-	-	-	828
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	1,202	-	-	-	-	-	1,202
Other - Contracted Services	-	-	-	-	639	-	639
Other - School Programs	8,296	-	-	-	-	-	8,296
	10,326	-	-	-	5,479	-	15,805
Materials/Supplies/Freight							
Materials	-	-	-	350	211	1,114	1,675
Freight	-	-	-	-	-	-	-
	-	-	-	350	211	1,114	1,675
Total	\$ 10,326	\$ -	\$ -	\$ 350	\$ 13,370	\$ 4,984	\$ 29,030

WRIGLEY

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	Current Year Budget	Current Year Actual	Prior Year Actual
Revenue			
Contributions from Divisional Council	\$ 18,040	\$ 18,040	\$ 20,295
Other - DehCho DEC	-	-	4,000
Other - Contributions from GNWT	-	-	-
Other	-	41,347	-
	<u>18,040</u>	<u>59,387</u>	<u>24,295</u>
Expenditure			
Administration	12,050	19,848	8,396
School programs	-	2,721	12,000
Inclusive schooling	-	-	-
Student Accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	5,990	1,225	-
	<u>\$ 18,040</u>	<u>23,794</u>	<u>20,396</u>
Excess (Deficiency) of Revenue over Expenditure	-	35,593	3,899
Accumulated surplus (deficit), beginning of year		9,303	5,404
Accumulated surplus (deficit), end of year		<u>\$ 44,896</u>	<u>\$ 9,303</u>
Composition of Closing Equity			
Cash		\$ 44,896	\$ 9,303
Accounts Receivable		-	-
Accounts Payable		-	-
		<u>\$ 44,896</u>	<u>\$ 9,303</u>

WRIGLEY DISTRICT EDUCATION AUTHORITY

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations and Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	2,938	-	2,938
	-	-	-	-	2,938	-	2,938
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and termination	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	16,500	-	16,500
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	410	-	410
Other - School Programs	2,721	-	-	-	-	-	2,721
	2,721	-	-	-	16,910	-	19,631
Materials, Supplies and Freight							
Materials	-	-	-	-	-	1,225	1,225
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	1,225	1,225
Total	\$ 2,721	\$ -	\$ -	\$ -	\$ 19,848	\$ 1,225	\$ 23,794

NAHANNI BUTTE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenues			
Contributions from Divisional Council	\$ 15,767	\$ 15,767	\$ 16,922
Other - DehCho DEC	-	-	800
Other - Contributions from GNWT	-	-	-
Other	-	3,075	1,869
	15,767	18,842	19,591
Expenses			
Administration	10,950	1,313	972
School programs	-	2,750	15,753
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	500	-
Aboriginal language/cultural programs	4,817	-	-
	15,767	4,563	16,725
Surplus (Deficit)	-	14,279	2,866
Opening equity		10,239	7,373
Closing equity		\$ 24,518	\$ 10,239
Composition of Closing Equity			
Cash		\$ 24,518	\$ 10,239
Accounts Receivable		-	-
Accounts Payable		-	-
		\$ 24,518	\$ 10,239

NAHANNI BUTTE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	1,050	-	1,050
	-	-	-	-	1,050	-	1,050
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	-	-	-	500	-	-	500
Rentals/Leases	-	-	-	-	-	-	-
Other - Student Awards	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	263	-	263
Other - School Programs	285	-	-	-	-	-	285
	285	-	-	500	263	-	1,048
Materials/Supplies/Freight							
Materials	2,465	-	-	-	-	-	2,465
Freight	-	-	-	-	-	-	-
	2,465	-	-	-	-	-	2,465
Total	\$ 2,750	\$ -	\$ -	\$ 500	\$ 1,313	\$ -	4,563

TROUT LAKE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 17,226	\$ 17,226	\$ 17,171
Other - DehCho DEC	-	26,361	4,595
Other - Contributions from GNWT	-	-	-
Other	-	73	-
	17,226	43,660	21,766
Expenses			
Administration	10,950	11,933	25,627
School programs	-	1,267	9,300
Inclusive schooling	-	-	-
Student Accommodations	-	-	-
Operations and maintenance	-	7,360	-
Aboriginal language/cultural programs	6,276	20,818	-
	17,226	41,378	34,927
Surplus (Deficit)	-	2,282	(13,161)
Opening equity		(2,029)	11,132
Closing equity	\$	253	\$ (2,029)
Composition of Closing Equity			
Cash	\$	253	\$ (2,029)
Accounts Receivable		6,642	-
Accounts Payable		(6,642)	-
	\$	253	\$ (2,029)

TROUT LAKE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	7,360	3,632	16,075	27,067
Board/Trustee Honoraria	-	-	-	-	6,163	-	6,163
	-	-	-	7,360	9,795	16,075	33,230
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	1,170	-	1,170
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	1,170	-	1,170
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	94	-	94
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Travel (Bussing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Awards	1,001	-	-	-	-	-	1,001
Other - Contracted Services	-	-	-	-	874	-	874
Other - Local Programs	266	-	-	-	-	-	266
	1,267	-	-	-	968	-	2,235
Materials/Supplies/Freight							
Materials	-	-	-	-	-	4,743	4,743
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	4,743	4,743
Total	\$ 1,267	\$ -	\$ -	\$ 7,360	\$ 11,933	\$ 20,818	\$ 41,378

KAKISA LAKE

District Education Authority
Statement of Operations - Non-Consolidated

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenues			
Contributions from Divisional Council	\$ 15,289	\$ 15,289	\$ 15,729
Other - DehCho DEC	-	910	2,378
Other - Contributions from GNWT	-	-	-
Other	-	29,806	34,223
	15,289	46,005	52,330
Expenditure			
Administration	10,950	7,203	5,758
School programs	-	4,132	19,053
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	890	1,598
Aboriginal language/cultural programs	4,339	23,614	-
	\$ 15,289	35,839	26,409
Surplus (Deficit)	-	10,166	25,921
Opening equity		36,501	10,580
Closing equity		\$ 46,667	\$ 36,501
Composition of Closing Equity			
Cash		\$ 46,577	\$ 36,501
Accounts Receivable		90	-
Accounts Payable		-	-
		\$ 46,667	\$ 36,501

KAKISA LAKE

District Education Authority
Details of Expenses - Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	890	4,900	-	5,790
Board/Trustee Honoraria	-	-	-	-	-	-	-
	-	-	-	890	4,900	-	5,790
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	-	-	-
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	2,238	-	2,238
Student Travel (Bussing)	1,632	-	-	-	-	-	1,632
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	65	-	65
Other - Awards	-	-	-	-	-	-	-
Other - School Programs	2,500	-	-	-	-	23,614	26,114
	4,132	-	-	-	2,303	23,614	30,049
Materials/Supplies/Freight							
Materials	-	-	-	-	-	-	-
Freight	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	\$ 4,132	\$ -	\$ -	\$ 890	\$ 7,203	\$ 23,614	\$ 35,839

Dettah District Education Authority
Consolidated Financial Statements
June 30, 2015

Dettah District Education Authority

Consolidated Financial Statements

June 30, 2015

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Management Discussion and Analysis

Financial Position

The Authority's financial assets decreased from \$892,018 to \$604,792. This year the net financial assets (financial assets less liabilities) were \$353,922 compared to \$632,591 in the prior year.

The Authority had an operating deficit of \$278,699 for the year. This deficit is attributed to 3 new teachers being hired during the year, increase in pension to NEBS and increase in materials expenses. The accumulated surplus at year end is \$353,922.

Accounts payable and accrued liabilities have decreased from \$44,350 to \$31,664 due to on-time payments before year end.

Due to Yellowknife Education District #1 Payable increased from \$165,077 to \$219,206. The increase is attributed to greater payable balances due to 3 new employees being hired during the year and increase in pension to NEBS.

Detah DEA received 95% (2014 - 96%) of its funding from the GNWT. Other revenue in the current year mainly consists of donations from DDMI \$75,000 as well as interest revenue of \$2,500.

Management's Report

The Superintendent of the Authority delegates the responsibility of preparing consolidated financial statements to Management. Auditors are appointed to provide an independent opinion on the consolidated financial statements. Canadian public sector accounting standards were followed in the preparation of the Authority's consolidated financial statements.

The consolidated financial statements have been reported on by Crowe MacKay LLP, Chartered Accountants. The independent auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the consolidated financial statements.

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 — Finance Committee Member, for Chair
Dettah District Education Authority


Principal
Dettah District Education Authority

October 27, 2015

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, 2015 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, 2015, 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 27, 2015**

Crowe MacKay LLP
Chartered Accountants

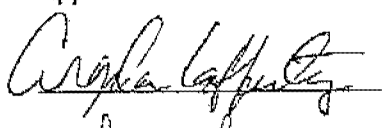
Dettah District Education Authority

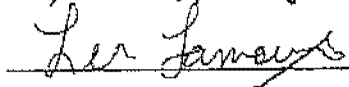
Consolidated Statement of Financial Position

As at June 30,	2015	2014
Financial Assets		
Cash (Note 4)	\$ 579,429	\$ 837,357
Short-term investments (Note 7)	-	28,466
Accounts receivable (Note 8)	25,363	26,195
	<u>604,792</u>	<u>892,018</u>
Liabilities		
Accounts payable and accrued liabilities (Note 10)	31,664	44,350
Due to Yellowknife Education District #1 (Note 26)	219,206	165,077
Deferred revenue (Note 11)	-	50,000
	<u>250,870</u>	<u>259,427</u>
Net Financial Assets and Accumulated Surplus	\$ 353,922	\$ 632,591

Contractual obligations and contingencies (Note 24 and 25)

Approved on behalf of the Authority

 *Angela Lafferty* Finance Committee Member for
Chairperson - F

 *Len Lavoie* Principal

Dettah District Education Authority

Consolidated Statement of Operations

For the year ended June 30,	2015	2015	2014
	Budget (unaudited)	Actual	Actual (restated)
Revenues			
Government of the NWT			
ECE Regular Contributions	\$ 1,594,188	\$ 1,606,601	\$ 1,345,615
ECE Other Contributions (Note 33)		15,921	73,389
Total ECE	-	1,622,522	1,419,004
GNWT Other Contributions (Note 34)	-	-	12,000
Total GNWT	-	1,622,522	1,431,004
Education Body Generated Funds			
Donations	10,700	92,372	52,893
Investment Income	-	2,570	3,754
Total Generated Funds	-	94,942	56,647
Total Revenues	\$ 1,604,888	\$ 1,717,464	\$ 1,487,651
Expenditures - Schedule 1			
Administration	338,720	175,597	355,402
School Programs	976,259	1,245,708	766,557
Inclusive Schooling	234,566	337,306	201,998
Operations and Maintenance	251,883	79,033	50,845
Aboriginal Languages	109,220	158,489	91,750
	\$ 1,910,648	\$ 1,996,133	\$ 1,466,552
Operating Surplus (Deficit) before other items	(305,760)	(278,669)	21,099
Other Items			
Grant in-kind - Assets provided at no cost (Note 23)	-	12,238	12,238
Rent expense - Assets provided at no cost (Note 23)	-	(12,238)	(12,238)
Operating Surplus (Deficit)	(305,760)	(278,669)	21,099
Opening Accumulated Surplus	632,591	632,591	611,492
Closing Accumulated Surplus	\$ 326,831	\$ 353,922	\$ 632,591

Dettah District Education Authority

Consolidated Statement of Changes in Net Financial Asset

For the year ended June 30,	2015	2014
Operating surplus (deficit)	\$ (278,669)	\$ 21,099
Net financial asset, beginning of year	632,591	611,492
Net financial asset, end of year	\$ 353,922	\$ 632,591

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

For the year ended June 30,	2015	2014
<i>Cash provided by (used in):</i>		
Operating transactions		
Operating surplus	\$ (278,669)	\$ 21,099
Changes in non-cash assets and liabilities		
Decrease (increase) accounts receivable	832	(26,195)
Increase (decrease) accounts payable and accrued liabilities	(12,686)	(20,404)
Increase (decrease) due to Yellowknife District Education #1	54,129	90,091
Increase (decrease) deferred revenue	(50,000)	50,000
Increase (decrease) in cash and cash equivalents	\$ (286,394)	\$ 114,591
Cash and cash equivalents at beginning of year	865,823	751,232
Cash and cash equivalents at end of year (Note 4)	\$ 579,429	\$ 865,823

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

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, 2015

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, short-term investments, accounts receivable, accounts payable and accrued liabilities and payroll liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

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

(d) Non-financial Assets

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver services that may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses. These assets do not normally provide resources to discharge the liabilities of the 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, 2015

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, 2015

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, 2015

2. Significant Accounting Policies (continued)

(k) Payroll Liabilities

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

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

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, 2015.

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.

Detah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(o) Change in Accounting Policy

Effective April 1, 2014, the Authority adopted Section PS 3260, *Liability for Contaminated Sites* issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organizations reporting under Canadian public sector accounting standards about how to account for and report a liability which is associated with remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the Authority's liabilities but has resulted in additional disclosure.

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

In December of 2014, PSAB approved Section PS 2200, Related Party Disclosures. The new 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 effective date for Section PS 2200 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has not yet been reviewed by management.

Inter-entity transactions, Section PS 3420

In December of 2014, 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. This section may be applied in conjunction with Related Party Disclosures, Section 2200. The effective date for Section PS 3420 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has not yet been reviewed by management.

Student Activity Funds

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

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

4. Cash and Cash Equivalents

	2015	2014
Cash	\$ 579,429	\$ 837,357
Short-term investment	-	28,466
	<u>\$ 579,429</u>	<u>\$ 865,823</u>

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

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Short-term Investments

The Authority had a guaranteed investment certificate (GIC) to obtain a return on a temporary basis. The account was closed during the year.

8. Accounts Receivable

	2015	2014
Government of the Northwest Territories - Department of Education, Culture and Employment	\$ 25,363	\$ 26,195

The Authority does not have allowance for doubtful accounts in the current year.

9. Inventory

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

10. Accounts Payable

	2015	2014
Trades payable	\$ 31,664	\$ 44,350

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

11. Deferred Revenue

	2015	2014
Dominion Diamond Ekati Corporation	\$ -	\$ 50,000

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 to the Government of Canada.

14. Capital Lease Obligations

The Authority does not have capital lease obligations

15. Pensions

Defined Contribution Plan

The Authority's indeterminate staff have the option to participate in a voluntary defined contribution pension plan ("the Plan").

The Authority makes contributions to the Plan in an amount equal to the employees contributions. Employees contributions are calculated at a rate of 4.8% for the amount up to the yearly maximum pensionable earnings and at a rate of 6.5% for the amount above the yearly maximum pensionable earnings.

During fiscal year ended June 30, 2015 the Authority contributed \$49,403 (2014 - \$25,335) to the Plan. This contribution was treated as an expense during the year.

All of the Plan's assets 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 obligation under the Plan each month. The Authority did not have any liability under the provision of the Plan as of June 30, 2015.

No assets or liabilities related to the Plan 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, 2015

17. Post-Employment Benefits

The Authority does not have post-employment benefits because it is paid through 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

	2015	2014
Operating surplus	\$ 353,922	\$ 632,591

22. Capital Advances

The Authority does not have capital advances.

23. GNWT Assets Provided At No Cost

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Kaw Tay Whee	\$ 895,327	\$ 358,421	\$ 536,906	\$ 549,234

Rent expense of \$12,328 (2014 - \$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, 2015

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

	2015		2014
GNWT - Department of Education, Cultural and Employment	\$ 25,363	\$	26,195

Due to Related Party

	2015		2014
Yellowknife Education District #1	\$ 219,206	\$	165,077

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 November 19, 2014 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.

Detah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

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 \$300,000.

The Authority's maximum exposure to credit risk is represented by the financial assets balance for a total of \$604,792 (2014 - \$892,018).

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. 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, 2015, receivables from the GNWT comprised approximately 100% of total balance. The amounts represent a low credit risk as the debtors are reputable governments and government organizations with a good credit score. The Authority reduces its risk exposure by following up on old account receivables for collection.

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, accrued liabilities and payroll liabilities for a total \$250,870 (2014 - \$259,427).

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, 2015

30. Expenditures By Object

	2015 Budget	2015 Actual	2014 Actual
Compensation	\$ 1,126,345	\$ 1,035,285	\$ 789,195
Materials/freight	110,583	244,440	172,798
Services purchased/contracted	673,720	716,408	504,559
	<u>\$ 1,910,648</u>	<u>\$ 1,996,133</u>	<u>\$ 1,466,552</u>

31. Subsequent Events

There were no subsequent events that have taken place between June 30, 2015 and the date the audit report was signed.

32. Comparative Figures

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

33. ECE Other Contributions

	2015	2014
Government of the Northwest Territories - Department of Education, Culture and Employment		
Healthy Children Initiative	\$ 15,921	\$ 53,863
Small Communities Initiative	-	15,000
Other	-	4,526
	<u>\$ 15,921</u>	<u>\$ 73,389</u>

34. GNWT Other Contributions

	2015	2014
Government of the Northwest Territories		
Department of Municipal and Community Affairs	\$ -	\$ 12,000

Dettah District Education Authority

Notes to Consolidated Financial Statements

June 30, 2015

35. Payroll Liabilities

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

36. Statement of Remeasurement Gains and Losses

The Authority does not have remeasurement gains and losses.

37. Correction of accounting error

The consolidated statement of operations of the Authority has been restated to include the in-kind grant received from the Government of the Northwest Territories. During the 2014 fiscal year, ECE allowed the Authority to use schools owned by the GNWT for no consideration. The effect of the change is to increase grant in-kind and increase rent expense. There is no net impact to the consolidated statement of operations as a result of this restatement

		Previously Reported		As Restated		Change
Increase grant in-kind	\$	-	\$	12,238	\$	12,238
Increase rent expense		-		12,238		12,238
Increase (decrease) in operating surplus	\$	-	\$	-	\$	-

Dettah District Education Authority

Schedule 1 - Consolidated Details of Expenditures

For the year ended June 30,

							Total 2015	Budget 2015	Total 2014
	School Programs	Operations & Maintenance	Administration	Aboriginal Languages	Inclusive Schooling	Other	Total	Total	Total
Salaries									
Teachers	\$ 343,360	\$ -	\$ 56,723	\$ -	\$ 199,280	\$ -	\$ 599,363	\$ 769,525	\$ 466,168
Instructional assistant	32,252	-	-	-	-	-	32,252	17,400	28,514
YK1 Superintendent	-	-	25,000	-	-	-	25,000	25,000	22,500
Non-instructional staff	-	37,160	-	127,701	29,286	-	194,147	130,220	105,527
Board/Trustee honoraria	6,910	-	13,240	-	-	-	20,150	17,000	19,649
School secretary	23,123	-	-	-	-	-	23,123	37,200	44,350
Total Salaries	405,645	37,160	94,963	127,701	228,566	-	894,035	996,345	686,518
Employee Benefits									
Employee benefits and allowances	75,200	-	18,351	12,551	35,148	-	141,250	130,000	102,377
Services Purchased or Contracted									
Advertising	39,430	-	-	-	-	-	39,430	27,000	47,689
Contracted services	346,976	-	34,562	-	-	-	381,538	282,200	301,410
Maintenance and upgrades	-	41,873	-	9,354	57,511	-	108,738	206,300	9,616
Other	46,791	-	21,050	-	-	-	67,841	50,200	57,641
Professional and technical services	31,615	-	2,126	-	14,902	-	48,643	38,600	28,779
Student transportation (bussing)	70,218	-	-	-	-	-	70,218	69,420	59,424
Total Services Purchased or Contracted	535,030	41,873	57,738	9,354	72,413	-	716,408	673,720	504,559
Materials and Freight									
Freight	1,498	-	-	-	-	-	1,498	-	348
Materials	228,335	-	4,545	8,883	1,179	-	242,942	110,583	172,450
Total Materials and Freight	229,833	-	4,545	8,883	1,179	-	244,440	110,583	172,798
Total Expenditures	\$ 1,245,708	\$ 79,033	\$ 175,597	\$ 158,489	\$ 337,306	\$ -	\$ 1,996,133	\$ 1,910,648	\$ 1,466,552

Dettah District Education Authority

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

For the year ended June 30,

2015

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Non-instructional staff	\$ 127,701	\$ -	\$ -	\$ -	\$ 127,701
Employee Benefits					
Employee benefits/allowances	12,551	-	-	-	12,551
Services Purchased/Contracted					
Maintenance/repair	9,354	-	-	-	9,354
Materials/Supplies/Freight					
Materials	8,883	-	-	-	8,883
Total	\$ 158,489	\$ -	\$ -	\$ -	\$ 158,489

Dettah District Education Authority

**Schedule 3
Details of Inclusive Schooling Expenses**

For the year ended June 30,

2015

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	84,742	84,742
Consultants	-	-	-	-	-	-	74,267	74,267
Support assistants	-	-	-	-	-	-	69,557	69,557
	-	-	-	-	-	-	228,566	228,566
Employee Benefits								
Employee benefits/allowances	-	-	-	-	-	-	35,148	35,148
Services Purchased/Contracted								
Professional/technical services	-	-	-	-	-	-	14,902	14,902
Maintenance/repair	-	-	-	-	-	-	57,511	57,511
	-	-	-	-	-	-	72,413	72,413
Materials/Supplies/Freight								
Materials	-	-	-	-	-	-	1,179	1,179
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	337,306	337,306

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

Consolidated Financial Statements

June 30, 2015

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Financial Statements

June 30, 2015

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Management Discussion & Analysis
K'alemi Dene School
2014-15 School Year

Introduction:

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

The current NDEA Board Members are:

Margaret Erasmus	Chairperson
Leroy Betsina	Vice-Chairperson
Cecilia Beaulieu	Trustee
Rose Black	Trustee
Philip John (PJ) Goulet	Trustee
Monica Godard	Trustee
Karen Martin	Trustee

The NDEA has a financial committee composed of Trustee Betsina and Trustee Beaulieu. . The finances of the NDEA are completed by the Yellowknives Dene First Nation (YKDFN).

The NDEA has hired Metro Huculak to provide superintendent services for K'alemi Dene School (KDS). All of the teaching staff, including teachers and educational assistants are employees of YK School District 1. The NDEA currently has a contract with Superintendent Huculak until the end of the 2016/17 school year.

Other support staff are employees of the Yellowknives Dene First Nation (YKDFN).

During the 2014-15 school year, KDS was funded for 103 FTE from Junior Kindergarten through grade 12. By the end of the school year, we had 110 students due to school transfers and students moving into Ndilo.

Operating Environment:

Strengths – We have a small community school that serves students from Junior Kindergarten – grade 12. Many of our teachers have been at our school for a long time, establishing long term relationships.

Weaknesses- Before the establishment of our NDEA in the Spring of 2013, the Yellowknives Dene First Nation was contracted by the GNWT to manage our school. When the NDEA took over, there were a number of changes in the reporting and management requirements. Unfortunately, we were not aware of these requirements and have had to address a number of concerns that could have been completed in a more timely fashion, made had we known at the time.

Opportunities – There is room to grow in a number of areas including day care services, trades opportunities and dual credit arrangements.

Threats – Lack of sufficient space hinders our opportunity for growth.

There are also a number of poverty, addictions and mental health issues facing our students and their families. It is critical that interagency partnerships that proactively provide support for our students and their families are established.

Financial Condition:

The NDEA is currently managing a surplus. The surplus will be used for a number of initiatives to enhance the literacy support provided at KDS. The surplus is currently being held by the YKDFN. The NDEA will develop a plan with the YKDFN for management of the surplus.

The NDEA will sign a contract with the YKDFN for providing financial and personnel support.

The NDEA Chairperson, Auditor and KDS principal will be meeting with the YKDFN to ensure that the recommendations of our Auditor are being met.

Summary and Outlook:

Achievements & Successes –

The implementation of Junior Kindergarten was very successful during the 2014-15 school year. We refigured our classrooms to include a Junior Kindergarten – Kindergarten classroom.

The NDEA hired a Literacy Consultant to assist in the enhancement of the literacy programming at KDS. The hiring of a Literacy Coach for the 2015/16 school year remained a priority.

The City of Yellowknife changed their bus schedule that resulted in very poor service for our students including over crowded busses and lack of connections. The purchase of a 24-passenger bus through donations made to KDS greatly alleviated the bussing challenges.

Utilizing our surplus, we purchased class sets of computers for all of our classrooms from grade 3 – 12. With the addition of classroom computers, we will be closing our computer room and integrating lessons into the classrooms during the 2015/16 school year.

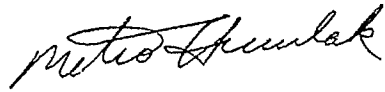
Challenges –

Our school is full. We lack space to meet with students and provide services.

The community gymnasium that we use for physical education classes is not always available. It is occasionally booked for funerals, meetings and other community events. As we had to turn our activity room into a classroom, the only alternative is to use a classroom or play outside for physical education classes.

The NDEA would like to look into the requirements for the formation of District Education Council. We would be pleased to have representatives from Education Culture & Employment deliver a presentation in this regard to the NDEA.

Sincerely



Metro Huculak
Superintendent/CEO

cc: Eileen Erasmus, Principal, K'alemi Dene School

Management Responsibility for Financial Reporting

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

Management's Responsibility for Financial Reporting with respect to the school year ended June 30, 2015

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

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

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

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

Approved and confirmed on behalf of the Authority



Metro Huculak

Superintendent

November 26, 2015

Independent Auditors' Report

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of K'alemi Dene School ("the Authority"), which comprise of the consolidated statement of financial position as at June 30, 2015, and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

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.



Independent Auditors' Report (continued)

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Authority as at June 30, 2015, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Crowe MacKay Ltd

**Yellowknife, Northwest Territories
November 26, 2015**

Chartered Accountants

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2015	2014
Financial Assets		
Cash and cash equivalents (Note 4)	\$ 365,963	\$ 8,790
Due from Government of Canada (Note 13)	19,324	-
Accounts receivable (Note 8)	1,284,037	1,509,946
	1,669,324	1,518,736
Liabilities		
Accounts payable and accrued liabilities (Note 10)	34,894	6,657
Payroll Liabilities (Note 35)	529,629	283,412
	564,523	290,069
Net Financial Assets and Accumulated Surplus	\$ 1,104,801	\$ 1,228,667
Represented By:		
Operating Surplus	\$ 1,104,801	\$ 1,228,667

Contractual obligations and contingencies (Notes 24 and 25)

Approved on behalf of the Authority

 Chairperson

 Trustee

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Operations

For the year ended June 30,	2015	2015	2014
	Budget (unaudited)	Actual	Restated (Note 37)
Revenues			
Government of the Northwest Territories (GNWT)			
ECE Regular contributions	\$2,350,042	\$2,357,934	\$3,267,067
Education body generated funds			
Donations - other	-	4,501	4,190
Other - Yellowknives Dene First Nation contributed services	-	45,960	-
	2,350,042	2,408,395	3,271,257
Expenditures - Schedule 1			
School programs	1,623,870	1,521,126	1,681,906
Inclusive schooling	507,999	637,148	225,415
Administration	24,718	168,502	1,302,222
Aboriginal languages	196,023	205,485	67,848
	2,352,610	2,532,261	3,277,391
Operating deficit before other items	(2,568)	(123,866)	(6,134)
Other items;			
Grant in-kind - Tangible Capital Assets provided at no cost (Note 23)	-	226,653	226,653
Rent expense - Tangible Capital Assets provided at no cost (Note 23)	-	(226,653)	(226,653)
	-	-	-
Operating deficit	(2,568)	(123,866)	(6,134)
Opening accumulated surplus	1,228,667	1,228,667	-
Transfer to accumulated surplus (Note 38)	-	-	1,234,801
Closing accumulated surplus	\$1,226,099	\$1,104,801	\$1,228,667

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Changes in Net Financial Assets

For the year ended June 30,	2015	2014
Operating deficit	\$ (123,866)	\$ (6,134)
Transfer to accumulated surplus	-	1,234,801
Increase (decrease) in net financial assets	(123,866)	1,228,667
Net financial assets, beginning of year	1,228,667	-
Net financial assets, end of year	\$ 1,104,801	\$ 1,228,667

K'alemi Dene School
(Ndilo District Education Authority)

Consolidated Statement of Cash Flows

For the year ended June 30,	2015	2014
Cash provided by (used in):		
Operating Activities		
Operating deficit	\$ (123,866)	\$ (6,134)
Items not affecting cash		
Surplus due from YKDFN	-	1,234,801
Grant in-kind - Assets provided at no cost	(226,653)	(226,653)
Rent expense - Assets provided at no cost	226,653	226,653
	-	1,234,801
	(123,866)	1,228,667
Change in non-cash assets and liabilities		
Decrease (increase) in accounts receivable	225,909	(1,509,946)
Increase in accounts payable and accrued liabilities	28,237	6,657
Increase in payroll liabilities	246,217	283,412
Decrease in amounts due from the Government of Canada	(19,324)	-
	481,039	(1,219,877)
Change in cash position	357,173	8,790
Cash position, beginning of year	8,790	-
Cash position, end of year	\$ 365,963	\$ 8,790

**Schedule 1
Consolidated Details of Expenditures**

For the year ended June 30,

									2015	2015	2014
	School Programs	Inclusive Schooling (Schedule 3)	Student Accomodation	Operations & Maintenance	Administration	Aboriginal Languages (Schedule 2)	Transfers & Others	Total	Budget	Total	
Salaries											
Teachers	\$ 839,797	\$ 182,415	-	-	\$ -	\$ -	\$ -	\$ 1,022,212	\$ 1,698,827	\$ 1,099,825	
Instruction assistants	107,602	-	-	-	-	143,089	-	250,691	209,970	162,687	
Non-Instructional staff	177,452	-	-	-	-	-	-	177,452	138,814	104,478	
Board/Trustee honoraria	-	-	-	-	18,473	-	-	18,473	18,000	18,178	
Total Salaries	1,124,851	182,415	-	-	18,473	143,089	-	1,468,828	2,065,611	1,385,168	
Employee Benefits											
Employee benefits and allowances	224,903	38,185	-	-	-	19,514	-	282,602	-	242,634	
Services Purchased or Contracted											
Advertising	3,142	-	-	-	-	-	-	3,142	-	393	
Electricity	2,446	-	-	-	-	-	-	2,446	10,000	3,187	
Insurance and permits	7,239	-	-	-	-	-	-	7,239	2,500	3,818	
Maintenance and repairs	-	1,903	-	-	-	-	-	1,903	-	4,662	
Other contracted services	30,015	-	-	-	-	-	-	30,015	-	2,200	
Postage and communication	-	7,381	-	-	-	-	-	7,381	20,000	7,237	
Professional/technical services	41,977	89,967	-	-	147,715	-	-	279,659	51,999	1,349,853	
Rentals and lease	-	12,630	-	-	-	-	-	12,630	10,000	7,536	
Student transportation and bussing	22,885	-	-	-	-	-	-	22,885	25,000	25,925	
Travel	11,935	1,200	-	-	2,314	-	-	15,449	2,500	8,701	
Water and sewage	6,195	-	-	-	-	-	-	6,195	-	3,914	
Total Services Purchased or Contracted	125,834	113,081	-	-	150,029	-	-	388,944	121,999	1,417,426	
Total Materials	45,538	303,467	-	-	-	42,882	-	391,887	165,000	232,163	
Total Expenditures	\$ 1,521,126	\$ 637,148	-	\$ -	\$ 168,502	\$ 205,485	\$ -	\$ 2,532,261	\$ 2,352,610	\$ 3,277,391	

K'alemi Dene School

Schedule 2 Details of Aboriginal Language and Culture Program Expenditures

For the year ended June 30,

2015

Function	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	Total
Salaries					
Teachers	\$ -	\$ -	\$ -	\$ -	-
Language consultants	-	-	-	-	-
Instruction assistants	143,089	-	-	-	143,089
Non-instructional staff	-	-	-	-	-
Honoraria	-	-	-	-	-
School secretary	-	-	-	-	-
	143,089	-	-	-	143,089
Employee Benefits					
Employee benefits/allowances	19,514	-	-	-	19,514
Services Purchased/Contracted					
Advertising/printing/publishing	-	-	-	-	-
Maintenance/repair	-	-	-	-	-
Other contracted services	-	-	-	-	-
Professional/technical services	-	-	-	-	-
Rentals/leases	-	-	-	-	-
Student transportation (bussing)	-	-	-	-	-
Travel	-	-	-	-	-
Materials/Supplies/Freight					
Materials	42,882	-	-	-	42,882
Total	\$ 205,485	\$ -	\$ -	\$ -	\$ 205,485

K'alemi Dene School

Schedule 3

Details of Inclusive Schooling Expenditures

For the year ended June 30,

2015

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,415	\$ 182,415
Consultants	-	-	-	-	-	-	-	-
Support assistants	-	-	-	-	-	-	-	-
Non-instructional staff	-	-	-	-	-	-	-	-
School secretary	-	-	-	-	-	-	-	-
							182,415	182,415
Employee Benefits								
Employee benefits/allowances	-	-	-	-	-	-	38,185	38,185
Services Purchased/Contracted								
Professional/technical services	-	-	-	-	-	-	89,967	89,967
Travel	1,200	-	-	-	-	-	-	1,200
Student transportation (bussing)	-	-	-	-	-	-	-	-
Advertising/printing/publishing	-	-	-	-	-	-	7,381	7,381
Maintenance/repair	-	-	-	-	-	-	1,903	1,903
Rentals/leases	-	-	-	-	-	-	12,630	12,630
Other contracted services	-	-	-	-	-	-	-	-
	1,200	-	-	-	-	-	111,881	113,081
Materials/Supplies/Freight								
Materials	-	-	-	-	-	-	303,467	303,467
Total	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 635,948	\$ 637,148

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

1. Nature of Operations

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

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

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

2. Significant Accounting Policies

(a) Basis of Accounting

These 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 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

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 payroll liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

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

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(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

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

(f) Revenue Recognition

Government Transfers

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

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

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

GNWT - Regular Contributions

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

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.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(f) Revenue Recognition (continued)

Other Revenue - Donations

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

Contributed Services

The Authority receives cleaning and catering services provided by school volunteers. The fair value of these services are recognized as an expense and a corresponding revenue is recorded.

The school bus used by the Authority is the property of the Yellowknives Dene First Nation. The fair value of the use of the bus is estimated to be equivalent to the cost of bus passes that the Authority would have had to purchase. As such a bus pass expense and corresponding revenue has been reported in the Consolidated Statement of Operations.

(g) Infrastructure Funding

The Authority does not have any infrastructure funding.

(h) Budget Data

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

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

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

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

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

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

June 30, 2015

2. 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 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

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

Payroll costs for teachers are accrued for July and August.

(l) Post-employment benefits, compensated absences and termination benefits

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

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

GNWT Tangible Capital Assets Provided At No Cost

The school buildings occupied by the Authority are the property of the GNWT. The fair value of the use of the building is estimated to be equivalent to the current year amortization of the building as such a rent expense and corresponding grant in-kind has been reported in the Consolidated Statement of Operations.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(o) Net Financial Assets (Debt)

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

(p) 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 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, 2015.

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

(q) Change in Accounting Policy

Effective April 1, 2014, the Authority adopted Section PS 3260, *Liability for Contaminated Sites* issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organization's reporting under Canadian public sector accounting standards about how to account for and report a liability which is associated with the remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the Authority's liabilities but has resulted in additional disclosure.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

3. Future Accounting Changes

Related Party Disclosures, Section PS 2200

In December of 2014, PSAB approved Section PS 2200, Related Party Disclosures. The new 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 effective date for Section PS 2200 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Inter-entity Transactions, Section PS 3420

In December of 2014, 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. This section may be applied in conjunction with Related Party Disclosures, Section 2200. The effective date for Section PS 3420 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Student Activity Funds

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

4. Cash and Cash Equivalents

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

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.

7. Portfolio Investments

The Authority does not have portfolio investments.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

8. Accounts Receivable

	Accounts Receivable 2015	Allowance 2015	Net 2015	Net 2014
Accounts receivable	\$ 49,236	\$ -	\$ 49,236	\$ 275,145
Surplus due from Yellowknives Dene First Nation	1,234,801	-	1,234,801	1,234,801
	\$ 1,284,037	\$ -	\$ 1,284,037	\$ 1,509,946

9. Inventories

The Authority does not have inventories.

10. Accounts Payable

	2015	2014
Trades payable	\$ 34,894	\$ 6,657

11. Deferred Revenue

The Authority does not have deferred revenue.

12. Contribution Repayable

The Authority does not have contribution repayable.

13. Due from and to the Government of Canada

	2015	2014
Goods and Services Tax	\$ 19,324	\$ -

14. Capital Lease Obligations

The Authority does not have capital lease obligations.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

15. Pensions

The Authority does not have pensions.

16. Long Term Debt

The Authority does not have long term debt.

17. Post Employment Benefits

The Authority does not have post employment benefits.

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

The Authority does not have prepaid expenses.

21. Accumulated Surplus / Deficit

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

22. Capital Advances

The Authority does not have capital advances.

23. GNWT Tangible Capital Assets Provided At No Cost

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Buildings	\$ 9,066,125	\$ 1,246,592	\$ 7,819,533	\$ 8,046,186

Rent expense of \$226,653 (2014 - \$226,653) equal to current year amortization of the tangible capital assets was offset by a grant in-kind.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

24. Contractual Obligations

The Authority has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2015.

	Expires in Fiscal Year	2016	2017-2019	Total
Equipment leases	2019	\$ 9,056	\$ 36,224	\$ 45,280
Operation leases	2016	27,000	-	27,000
		\$ 36,056	\$ 36,224	\$ 72,280

25. Contingencies

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

26. Related Parties

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

	2015	2014
Trades payable and payroll liabilities Yellowknife District Education #1	\$ 532,379	\$ 286,305
Expenses - wages and salaries Yellowknife District Education #1	\$ 1,546,329	\$ 1,234,801

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

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 22, 2014 and have not been audited.

28. Economic Dependence

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

29. 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 below by type of risk below.

a) Credit risk

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

The Authority's maximum exposure to credit risk is represented by the financial assets balance for a total of \$1,669,324 (2014 - \$1,518,736).

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. There is also a concentration risk in accounts receivable as the total balance is from the Yellowknives Dene First Nation. The amounts represent a low credit risk as the debtor is a reputable government with a good credit score.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

29. Risk Management (continued)

b) Liquidity risk

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

The Authority's maximum exposure to liquidity risk is represented by accounts payable and accrued liabilities, and payroll liabilities for a total of \$564,523 (2014 - \$290,069).

All of the Authority's financial assets and financial liabilities at June 30, 2015 mature within 6 months.

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

30. Expense by Object

	Budget 2015	Actual 2015	Actual 2014
Compensation	\$ 2,065,611	\$ 1,751,430	\$ 1,627,802
Materials and freight	165,000	391,887	232,163
Services purchased/contracted	121,999	388,944	1,417,426
	\$ 2,352,610	\$ 2,532,261	\$ 3,277,391

31. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2015 and the date the audit report was signed.

32. Comparative Figures

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

33. ECE Other Contributions

There were no other contributions from ECE other than the regular funding.

K'alemi Dene School
(Ndilo District Education Authority)

Notes to Financial Statements

June 30, 2015

34. GNWT Other Contributions

There were no other contributions from the GNWT other than the regular funding from ECE.

35. Payroll Liabilities

	2015	2014
Teachers - Northwest Territories Teachers' Association	\$ 529,629	\$ 283,412

36. Statement of Remeasurement Gains and Losses

The Authority does not have any remeasurement gains or losses.

37. Correction of Accounting Error

The consolidated statement of operations of the Authority has been restated to include the in-kind grant received from the Government of the Northwest Territories. During the 2014 fiscal year, ECE allowed the Authority to use schools owned by the GNWT for no consideration. The effect of the change is to increase grant in-kind and increase rent expense. There is no net impact to the consolidated statement of operations as a result of this restatement.

	Previously Reported	As Restated	Change
Increase grant in-kind	\$ -	\$ 226,653	\$ 226,653
Increase rent expense	-	(226,653)	(226,653)
	\$ -	\$ -	\$ -

38. Transfer to Accumulated Surplus

In 2014 fiscal unexpended government transfers received from the Government of the Northwest Territories, Department of Education, Culture, and Employment for school operations was allocated to accumulated surplus. The corresponding amount \$1,234,801 (2014 - \$1,234,801) is receivable from the Yellowknives Dene First Nation.

Consolidated Financial Statements of

Sahtu Divisional Education Council

June 30, 2015

Sahtu Divisional Education Council

Consolidated Financial Statements

June 30, 2015

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

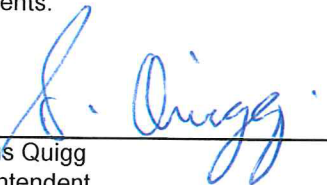
The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public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



Seamus Quigg
Superintendent
Sathu Divisional Education Council

Sept/24/15

Date



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

9/24/15

Date

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, 2015, and the consolidated statements of operations, changes in net financial resources, 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, 2015, and the results of its operations and cash flow for the year then ended in accordance with the Canadian public sector accounting standards.

The financial statement for the year ended June 30, 2014 were audited by another accounting firm and are presented for comparative purposes only.

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 18, 2015

Santu Divisional Education Council
 Consolidated Statement of Financial Position

June 30, 2015

	2015	2014
FINANCIAL ASSETS		
Cash, Note 4	\$ 3,608,702	\$ 3,179,427
Special purpose funds, Note 5	206,731	255,026
Accounts receivable, Note 8	162,612	392,941
	<u>\$ 3,978,045</u>	<u>\$ 3,827,394</u>
LIABILITIES		
Accounts payable and accrued liabilities, Note 10	\$ 150,535	\$ 170,831
Payroll liabilities, Note 35	1,783,333	1,480,602
Deferred revenue, Note 11	208,731	327,103
Post-employment benefits, Note 17	1,337,046	1,409,848
	<u>3,477,645</u>	<u>3,388,384</u>
Net Financial Assets (Deficit)	<u>\$ 500,400</u>	<u>\$ 439,010</u>
NON-FINANCIAL ASSETS		
Prepaid expenses, Note 20	\$ 23,404	\$ 29,993
ACCUMULATED SURPLUS (DEFICIT)	<u>\$ 523,804</u>	<u>\$ 469,003</u>

Contractual obligations, Note 24

Approved on behalf of council:

 Chair

 Superintendent

Sahtu Divisional Education Council

Consolidated Statement of Operations and Surplus

For the year ended June 30, 2015

	Budget 2015	Actual 2015	Actual 2014
Revenue			
Government of the Northwest Territories			
ECE Regular Contributions	\$ 14,055,797	\$ 14,585,748	\$ 13,499,292
Teaching and Learning Centres	58,000	58,000	58,000
French Language Instruction	50,000	55,000	50,000
ECE Other Contributions, Note 33	-	240,998	177,858
Total ECE	14,163,797	14,939,746	13,785,150
GNWT Other Contributions, Note 34	-	307,751	159,974
Total GNWT	\$ 14,163,797	\$ 15,247,497	\$ 13,945,124
Education council generated funds			
Interest income	30,000	40,320	39,430
Other	60,000	113,821	273,579
	90,000	154,141	313,009
	14,253,797	15,401,638	14,258,133
Expenditures (Schedule 2)			
Administration	1,063,452	1,113,722	1,168,652
School programs	8,412,861	10,462,692	10,079,652
Inclusive schooling	1,858,197	1,906,760	1,677,449
Operations and maintenance	370,484	521,319	434,215
Aboriginal languages	2,383,261	1,342,344	1,380,731
	14,088,255	15,346,837	14,740,699
Operating Surplus (Deficit)	\$ 165,542	\$ 54,801	\$ (482,566)
Accumulated surplus (Deficit), beginning of year		\$ 469,003	\$ 951,569
Accumulated surplus (deficit), end of year		\$ 523,804	\$ 469,003

Sahtu Divisional Education Council

Consolidated Statement of Changes in Net Financial Resources

For the year ended June 30, 2015

	2015	2014
Annual surplus (deficit)	\$ 54,801	\$ (482,566)
Change in prepaid expenses	6,589	(21,785)
Increase (decrease) in net financial resources	61,390	(504,351)
Net financial resources, beginning of year	439,010	943,361
Net financial resources, end of year	\$ 500,400	\$ 439,010

Sahtu Divisional Education Council

Consolidated Statement of Cash Flow

For the year ended June 30, 2015

	2015	2014
Cash provided by (used in):		
Operating Transactions		
Operating Surplus (Deficit)	\$ 54,801	\$ (482,566)
	54,801	(482,566)
Change in non-cash assets and liabilities:		
Accounts receivable	230,329	(63,411)
Accounts payable and accrued liabilities	(20,296)	5,527
Payroll liabilities	302,731	6,911
Deferred revenue	(120,372)	222,918
Post-employment benefits	(72,802)	15,757
Prepaid expenses	6,589	(21,786)
	326,179	165,916
Increase (Decrease) in cash and cash equivalents	380,980	(316,650)
Cash and cash equivalents, beginning of year	3,434,453	3,751,103
Cash and cash equivalents, end of year	\$ 3,815,433	\$ 3,434,453
Consists of:		
Cash	\$ 3,608,702	\$ 3,179,427
Special purpose funds	206,731	255,026
	\$ 3,815,433	\$ 3,434,453

Sahtu Divisional Education Council

Consolidated Detail of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accom.	Operations & Maintenance	Administration	Aboriginal Languages	Transfers & Other	2015 Total	2015 Budget	2014 Total
Salaries										
Teachers' salaries	\$ 7,302,093	\$ 782,880	\$ -	\$ -	\$ -	\$ 1,084,641	\$ -	\$ 9,169,614	\$ 9,189,102	\$ 8,741,043
Instruction assistants	8,593	863,593	-	-	-	-	-	872,186	1,179,082	901,789
Non-instructional staff	1,710,006	163,194	-	-	651,601	164,943	-	2,689,744	2,001,929	2,359,368
Board/Trustee honorarium	4,765	-	-	-	43,365	7,125	-	55,255	25,000	83,835
	9,025,457	1,809,667	-	-	694,966	1,256,709	-	12,786,799	12,395,113	12,086,035
Employee Benefits										
Employee benefits and allowances	700	-	-	-	-	-	-	700	-	379,007
Leave and termination benefits	-	-	-	381,578	(38,539)	-	-	343,039	218,332	29,959
	700	-	-	381,578	(38,539)	-	-	343,739	218,332	408,966
Services Purchased/Contracted										
Professional services	80,581	25,262	-	-	189,925	26,519	-	322,287	150,605	276,090
Postage and communication	45,191	-	-	-	23,506	2,927	-	71,624	79,400	78,429
Utilities	-	-	-	-	-	-	-	-	-	-
Heating	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-	-	-
Travel	193,511	45,246	-	-	143,697	-	-	382,454	370,583	418,969
Student transportation (busing)	149,000	-	-	-	-	-	-	149,000	149,000	-
Advertising/printing/publishing	3,355	1,258	-	1,895	-	-	-	6,508	5,500	-
Maintenance and repair	30,734	-	-	5,167	-	-	-	35,901	33,900	-
Rentals and leases	-	-	-	132,679	-	-	-	132,679	106,752	131,505
Other contracted services	-	-	-	-	4,519	19,072	-	23,591	15,000	200,562
Other	68,392	-	-	-	59,182	-	-	127,574	101,500	9,271
	570,764	71,766	-	139,741	420,829	48,518	-	1,251,618	1,012,240	1,121,826
Materials, Supplies and Freight										
Materials	829,850	21,240	-	-	28,085	36,885	-	916,060	411,370	586,497
Freight	35,921	4,087	-	-	5,090	232	-	45,330	49,200	59,986
	865,771	25,327	-	-	33,175	37,117	-	961,390	460,570	646,483
Contributions/Transfers										
Transfers	-	-	-	-	-	-	-	-	-	-
Debt Services										
Other	-	-	-	-	3,291	-	-	3,291	2,000	51,176
Total	\$ 10,462,692	\$ 1,906,760	\$ -	\$ 521,319	\$ 1,113,722	\$ 1,342,344	\$ -	\$ 15,346,837	\$ 14,088,255	\$ 14,314,486

SAHTU DIVISIONAL EDUCATION COUNCIL

Aboriginal Language and Cultural-based Education Expenses

For the year ended June 30, 2015

	Student Instruction	Teaching/ Learning Resources	Professional Development	School Activities and Integrated Community Programs	2015 Total
Salaries					
ALCBE teachers	\$ 1,084,641	\$ -	\$ -	\$ -	\$ 1,084,641
Language consultants	-	-	-	-	-
Instruction assistants	-	-	-	-	-
Non-instructional staff	135,708	-	-	-	135,708
Honoraria	-	-	-	-	-
Elders in schools	-	-	-	29,235	29,235
	1,220,349	-	-	29,235	1,249,584
Employee Benefits					
Employee benefits and allowances	-	-	-	-	-
Services Purchased/Contracted					
Professional services	26,519	-	-	-	26,519
Postage and communication	-	-	2,927	-	2,927
Travel	-	-	-	-	-
Student transportation (busing)	-	-	-	-	-
Advertising, printing and publishing	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Rentals and leases	-	-	-	-	-
Other contracted services	-	-	19,072	-	19,072
	26,519	-	21,999	-	48,518
Materials, Supplies and Freight					
Materials	-	4,947	-	322	5,269
Freight	-	232	-	-	232
	-	5,179	-	322	5,501
Total	\$ 1,246,868	\$ 5,179	\$ 21,999	\$ 29,557	\$ 1,303,603

Sahtu Divisional Education Council

Inclusive Schooling Expenses

For the year ended June 30, 2015

Function	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General Inclusive Schooling	Total
Salaries								
Program support teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	782,880	\$ 782,880
Consultants	-	-	-	-	-	-	163,194	163,194
Support assistants	-	-	-	-	-	-	863,593	863,593
Non-instructional staff	-	-	-	-	-	-	-	-
Honoraria	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	1,809,667	1,809,667
Employee Benefits								
Employee benefits/allowances	-	-	-	-	-	-	-	-
Services Purchased/Contracted								
Professional/technical services	12,622	12,640	-	-	-	-	-	25,262
Travel	19,276	5,802	-	-	-	-	20,168	45,246
Student transportation (busing)	-	-	-	-	-	-	-	-
Advertising/printing/publishing	-	-	-	-	-	-	1,258	1,258
Maintenance/repairs	-	-	-	-	-	-	-	-
Rentals/leases	-	-	-	-	-	-	-	-
Other contracted services	-	-	-	-	-	-	-	-
	31,898	18,442	-	-	-	-	21,426	71,766
Materials, Supplies and Freight								
Materials	-	-	-	20,940	-	-	300	21,240
Freight	-	-	-	-	-	-	4,087	4,087
	-	-	-	20,940	-	-	4,387	25,327
Total	\$ 31,898	\$ 18,442	\$ -	\$ 20,940	\$ -	\$ -	1,835,480	\$ 1,906,760

Sahtu Divisional Education Council

French Language Programs

For the year ended June 30, 2015

	Contributions July 1 to June 30	Total Expenses July 1 to June 30	Variance
Bilateral Agreement Funding			
Special projects:	\$ -	\$ -	\$ -
Regular GNWT Funding			
Immersion Program		\$ -	
Core French Instruction		55,000	
Total		\$ 55,000	

Sahtu Divisional Education Council

Aboriginal Languages

For the year ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total Fiscal Year 2014/2015
Contribution Agreement			
Aboriginal Languages			
Revenues			
Funding Received	\$ 58,000	\$ -	\$ 58,000
	58,000	-	58,000
Expenditure			
Salaries	58,000	-	58,000
Other O & M	-	-	-
	58,000	-	58,000
Net Surplus (Deficit)	\$ -	\$ -	\$ -

Sahtu Divisional Education Council

Infrastructure

For the year ended June 30, 2015

	2015	2014
Personnel Infrastructure		
Revenue		
Contributions	\$ 217,152	\$ 206,208
Expenses		
Applicant Travel	12,599	1,125
Staff Advertising	1,895	-
Removal In/Transfer	249,057	223,004
Ultimate Removal	43,952	-
WCB Premiums	75,970	71,581
	383,473	295,710
Net Surplus (Deficit)	\$ (166,321)	\$ (89,502)
Leases Infrastructure		
Revenue		
Contributions	\$ 170,330	\$ 209,473
Expenses		
Leases	106,752	131,505
Other - Repairs and Maintenance	31,095	7,000
	137,847	138,505
Net Surplus (Deficit)	\$ 32,483	\$ 70,968

Sahtu Divisional Education Council

Student Success Initiative Projects

For the year ended June 30, 2015

	School Year
Revenue	
Education, Culture and Employment	\$ 55,000
NWTTA	52,541
Total Revenue	107,541
Expenses	
Salaries and wages	
Facilitator fees (including per diems)	78,575
Substitute teacher wages	-
Staff (p/y)	-
Travel	
Facilitator travel	58,216
Air charter	-
Staff travel	-
Accommodations	-
Daily per diems	-
Workshop expenses	
Room rental	-
Refreshments	-
Resources	-
Miscellaneous (stationary/printing)	-
Total Expenses	136,791
Net Surplus (Deficit)	\$ (29,250)

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

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, K'asho Gotine, Norman Wells, and Tulita.

Note 3. 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 arms' length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 3. Significant Accounting Policies (continued)

(c) Financial Instruments

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

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

(d) Non-financial Assets

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

(e) Tangible Capital Assets

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

(f) Revenue Recognition

Government Transfers:

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

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

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

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

(f) Revenue Recognition - (Continued)

GNWT – Regular Contributions:

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

Other Contributions:

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

Deferred Revenue:

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

Investment Income:

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

(g) Infrastructure Funding

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

(h) Budget Data

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

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

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

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 2. Summary of Significant Accounting Policies (continued)

(i) Measurement Uncertainty

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

(j) Inventories Including Materials and Supplies

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

(k) Payroll Liabilities

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

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

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

(l) Post-employment and Termination Benefits

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

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, 2016. Management is currently assessing the impact of the standard.

Inter-entity Transactions - Section PS 3420

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

Student Activity/Fiduciary Funds Policy

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

Sahtu Divisional Education Council

Consolidated Statement of Operations and Surplus

For the year ended June 30, 2015

Note 4. Cash and Cash Equivalents

	2015	2014
Cash	\$ 3,608,702	\$ 3,179,427
Short term investments	-	-
	\$ 3,608,702	\$ 3,179,427

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.

	2015	2014
Colville Lake	\$ 12,000	\$ 33,061
Deline	57,954	64,914
Fort Good Hope	50,065	66,134
Norman Wells	43,281	55,283
Tulita	43,431	35,634
	\$ 206,731	\$ 255,026

Note 6. Restricted Assets - Not Applicable

Note 7. Portfolio Investments - Not Applicable

Note 8. Accounts Receivable

	Receivables 2015	AFDA 2015	Net 2015	Net 2014
GNWT - ECE	\$ 61,482	\$ -	\$ 61,482	\$ 93,147
GNWT - HSS	10,520	-	10,520	43,595
Total Due from GNWT	72,002	-	72,002	136,742
WSCC	-	-	-	-
Other	183,602	92,992	90,610	256,199
	\$ 255,604	\$ 92,992	\$ 162,612	392,941

Note 9. Inventories - Not Applicable

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 10. Accounts Payable and Accrued Liabilities

	2015	2014
GNWT	\$ 4,794	\$ 19,068
GNWT - Petroleum Products	-	89
WSCC	18,585	18,100
Trade payables	127,156	133,574
	<u>\$ 150,535</u>	<u>\$ 170,831</u>

Note 11. Deferred Revenue

	2015	2014
Junior Kindergarten	\$ -	\$ 72,077
Norman Wells	43,281	33,061
Tulita	43,431	64,914
Fort Good Hope	50,065	66,134
Deline	57,954	55,284
Colville Lake	12,000	35,633
	<u>\$ 206,731</u>	<u>\$ 327,103</u>

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 17. Post-employment Benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn severance remuneration based upon the number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Annual leave is payable within one fiscal year. Payment of severance and relocation amounts is dependent upon the date the employee leaves the Education Body

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

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

	2015	2014
Removal	\$ 483,266	\$ 364,893
Termination, severance, resignation, retirement	637,663	636,451
Leave*	216,117	408,504
	1,337,046	1,409,848
Less: current portion	(288,447)	(408,504)
Long-term portion	\$ 1,048,599	\$ 1,001,344

* Leave

- includes annual and lieu (UNW, Excluded, Senior Management, Contract)
- includes leave banks as well as leave accruals and leave payouts due
- is considered to be a short-term liability for the purposes of distinguishing employee leave and termination benefits not short-term and long-term categories.

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

Note 19. Tangible Capital Asset - Not Applicable

Note 20. Prepaid Expenses

	2015	2014
Prepaid expenses	\$ 23,404	\$ 29,993

Note 21. Accumulated Surplus/Deficit - Not Applicable

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

Note 22. Capital Advances - Not Applicable

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 23. GNWT Assets Provided at No Cost

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Buildings				
Schools and colleges	\$ 64,991,525	\$ 15,007,210	\$ 49,984,315	\$ 51,054,678
Staff Housing	275,800	63,932	211,868	217,023
	\$ 65,267,325	\$ 15,071,142	\$ 50,196,183	\$ 51,271,701

Note 24. Contractual Obligations

The Education Body has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2015.

	Expires in Fiscal Year *	2016	2016 and thereafter	Total
Commercial and residential leases	2023	\$ 106,752	\$ 747,264	\$ 854,016

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

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

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

Note 25. Contingencies - Not Applicable

Note 26. Related Parties

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 26. Related Parties

	2015	2014
Accounts receivable		
GNWT - ECE	\$ 61,482	\$ 93,147
GNWT - HSS	10,520	43,595
Accounts payable		
GNWT - MACA	4,794	19,068
GNWT - Petroleum Products	-	89

Note 27. Budget

The Education Act of the Northwest Territories requires that Education Bodies prepare an annual budget, as outlined in Section 117, Duties and Powers of Education Bodies. The budget is legally adopted by a motion of the Education Body which may or may not include the establishment of a tax levy to support the approved budget in accordance with Section 135, Assessment and Taxation, of the Education Act.

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

The budget figures presented are those approved by the Minister of education, Culture and Employment on Sept 23, 2014 and have not been audited.

Note 28. Economic Dependence

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

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 29. Financial Instruments

The Education Body is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Education Body's risk exposure and concentration as of June 30, 2015.

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 manages its liquidity requirements by preparing detailed cash budgets and having cash available on hand to meet its obligations.

Market risk

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

Currency risk

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

Interest rate risk

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

Note 30. Expenses by Object

	2015 Budget	2015 Actual	2014 Actual
Salaries	\$ 12,395,113	\$ 12,786,799	\$ 12,086,035
Employee Benefits	218,332	343,739	408,966
Services Purchased/Contracted	1,012,240	1,251,618	1,121,826
Materials, Supplies and Freight	460,570	961,390	646,483
Debt Services	2,000	3,291	51,176
	<u>\$ 14,088,255</u>	<u>\$ 15,346,837</u>	<u>\$ 14,314,486</u>

Note 31. Subsequent Events - Not Applicable

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 32. Comparative Figures

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

Note 33. Other ECE Revenue

	2015	2014
Infrastructure funding	\$ 25,534	\$ 72,998
Junior Kindergarten	72,077	-
Library	229,800	222,163
Less: Deferred revenue & contributions repaid	(86,413)	(117,303)
	<u>\$ 240,998</u>	<u>\$ 177,858</u>

Note 34. GNWT - Other Contributions

	2015	2014
MACA		
Active After School	98,962	73,409
Girl's Leadership	4,000	-
Youth Contribution	34,000	45,000
Regional Youth Sports	108,000	57,000
HSS		
Drop The Pop	10,159	11,861
Nutrition North	28,928	27,900
Breakfast for learning	-	63,000
Food First Found	-	4,050
ITI		
Seed	15,000	49,921
Other		
On The Land	40,000	5,000
Community Justice	60,850	-
Resiliency Workshop	9,205	-
Northern Grad Teacher Funding	15,625	-
Self regulation & action research	12,000	-
Less: Deferred revenue & contributions repaid	(128,978)	(177,167)
	<u>\$ 307,751</u>	<u>\$ 159,974</u>

Sahtu Divisional Education Council

Notes to the Consolidated Financial Statements

June 30, 2015

Note 35. Payroll Liabilities

	2015	2014
UNW School Year & NWTTA	\$ 1,783,333	\$ 1,480,602
	\$ 1,783,333	\$ 1,480,602

Note 36. Statement of Remeasurement Gains and Losses - Not Applicable

Sahtu Divisional Education Council

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

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Government of the Northwest Territories	\$ 14,163,797	\$ 15,247,497	\$ 13,945,124
Other education body generated funds	90,000	154,141	313,009
	14,253,797	15,401,638	14,258,133
Expenditure			
Administration	983,452	1,044,079	1,095,815
School programs	8,362,861	10,149,447	9,617,743
Inclusive schooling	1,858,197	1,906,760	1,677,449
Operations and maintenance	370,484	521,319	434,215
Aboriginal languages	2,383,261	1,303,603	1,380,731
	13,958,255	14,925,208	14,205,953
Excess (Deficiency) of Revenue over Expenditure	\$ 295,542	\$ 476,430	\$ 52,180
Accumulated surplus (deficit), beginning of year		1,003,749	951,569
Accumulated surplus (deficit), end of year		\$ 1,480,179	\$ 1,003,749

SATHU DIVISIONAL EDUCATION COUNCIL

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

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Council Administration	Aboriginal Languages	Fiscal & Transfers	2015 Total
Salaries								
Teachers' salaries	\$ 7,302,093	\$ 782,880	\$ -	\$ -	\$ -	\$ 1,084,641	\$ -	\$ 9,169,614
Instruction Assistant	8,593	863,593	-	-	-	135,708	-	1,007,894
Non Instructional Staff	1,592,894	163,194	-	-	607,324	-	-	2,363,412
Board/Trustee Honoraria	-	-	-	-	28,768	29,235	-	58,003
	8,903,580	1,809,667	-	-	636,092	1,249,584	-	12,598,923
Employee Benefits								
Employee benefits and allowances	-	-	-	-	-	-	-	-
Leave and termination benefits	-	-	-	381,578	(38,539)	-	-	343,039
	-	-	-	381,578	(38,539)	-	-	343,039
Services Purchased/Contracted								
Professional/Technical Services	80,581	25,262	-	-	183,675	26,519	-	316,037
Postage/Communication	45,191	-	-	-	23,506	-	-	68,697
Utilities	-	-	-	-	-	-	-	-
Heating	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-	-
Travel	171,926	45,246	-	-	143,697	2,927	-	363,796
Student Travel (busing)	149,000	-	-	-	-	-	-	149,000
Advertising/Printing/Publishing	3,355	1,258	-	1,895	-	-	-	6,508
Maintenance/Repair	30,734	-	-	5,167	-	-	-	35,901
Rentals/Leases	-	-	-	132,679	-	-	-	132,679
Other - Contracted Services	-	-	-	-	-	-	-	-
Other - Miscellaneous	47,295	-	-	-	59,182	19,072	-	125,549
	528,082	71,766	-	139,741	410,060	48,518	-	1,198,167
Materials, Supplies and Freight								
Materials	551,864	21,240	-	-	28,085	5,269	-	606,458
Freight	35,921	4,087	-	-	5,090	232	-	45,330
	587,785	25,327	-	-	33,175	5,501	-	651,788
Contributions and Transfers								
Transfers to DEAs	130,000	-	-	-	-	-	-	130,000
Transfers to Capital	-	-	-	-	-	-	-	-
Amortization								
	-	-	-	-	-	-	-	-
Debt Services								
	-	-	-	-	3,291	-	-	3,291
Total	\$ 10,149,447	\$ 1,906,760	\$ -	\$ 521,319	\$ 1,044,079	\$ 1,303,603	\$ -	\$ 14,925,208

* Reclassified for comparative purposes

SAHTU DIVISIONAL EDUCATION COUNCIL

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

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 130,000	130,000	122,687
GNWT	-	629,699	-
Other	-	26,050	-
Deferred Revenue	-	(206,732)	-
Contributions Repaid	-	(8,659)	-
	-	440,358	-
Total revenue	130,000	570,358	122,687
Expenditure			
Administration	58,310	69,643	72,837
School programs	51,878	443,245	35,696
Inclusive schooling	-	-	-
Student accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	38,741	-
	\$ 110,188	551,629	108,533
Surplus (Deficit)	19,812	(111,271)	(108,533)
Opening equity		(97,644)	10,889
Closing equity		\$ (208,915)	\$ (97,644)
Composition of Ending Accumulated Surplus			
Cash	\$	-	\$ -
Accounts receivable		43,772	25,429
Accounts payable		-	(386)
	\$	43,772	\$ 25,043

SAHTU DIVISIONAL EDUCATION COUNCIL

Schedule B-2 - Details of DEA Expenses

Non-Consolidated

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accom.	Operations and Maintenance	Council Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non-instructional Staff	117,112	-	-	-	44,277	-	161,389
Board/Trustee Honorarium	4,765	-	-	-	14,597	7,125	26,487
	121,877	-	-	-	58,874	7,125	187,876
Employee Benefits							
Employee Benefits and Allowances	700	-	-	-	-	-	700
Leave and Termination	-	-	-	-	-	-	-
	700	-	-	-	-	-	700
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	6,250	-	6,250
Postage/Communication	-	-	-	-	-	-	-
Utilities							
Heating	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-
Water/Sewage	-	-	-	-	-	-	-
Travel	21,585	-	-	-	-	-	21,585
Student Transportation (busing)	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other Contracted Services	-	-	-	-	4,519	-	4,519
Other	21,097	-	-	-	-	-	21,097
	42,682	-	-	-	10,769	-	53,451
Materials/Supplies/Freight							
Materials	277,986	-	-	-	-	31,616	309,602
Freight	-	-	-	-	-	-	-
	277,986	-	-	-	-	31,616	309,602
Total	\$ 443,245	\$ -	\$ -	\$ -	\$ 69,643	\$ 38,741	551,629

COLVILE LAKE

District Education Authority
Statement of Operations

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 17,000	\$ 17,000	\$ 12,612
GNWT	-	59,134	-
Other	-	5,300	-
Deferred Revenue	-	(12,000)	-
Contributions Repaid	-	(4,707)	-
	17,000	64,727	12,612
Expenses			
Administration	-	1,776	3,689
School programs	-	42,227	5,087
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	10,000	-
	-	54,003	8,776
Surplus (Deficit)	17,000	10,724	3,836
Opening equity		240	(3,596)
Closing equity		\$ 10,964	\$ 240
Composition of Closing Equity			
Cash		\$ -	\$ -
Accounts Receivable		10,964	240
Accounts Payable		-	-
		\$ 10,964	\$ 240

COLVILLE LAKE

District Education Authority
 Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	-	-	-	-	-	-	-
Board/Trustee Honoraria	-	-	-	-	526	-	526
	-	-	-	-	526	-	526
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,250	-	1,250
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-	-	-	-	1,250	-	1,250
Materials/Supplies/Freight							
Materials	42,227	-	-	-	-	10,000	52,227
Freight	-	-	-	-	-	-	-
	42,227	-	-	-	-	10,000	52,227
Total	\$ 42,227	\$ -	\$ -	\$ -	\$ 1,776	\$ 10,000	\$ 54,003

DELINE

District Education Authority Statement of Operations

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 27,000	\$ 27,000	\$ 25,334
GNWT	-	152,234	-
Other	-	5,550	-
Deferred Revenue	-	(57,955)	-
Contributions Repaid	-	(146)	-
	27,000	126,683	25,334
Expenses			
Administration	16,300	19,562	18,086
School programs	10,700	86,877	4,082
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	20,000	-
	27,000	126,439	22,168
Surplus (Deficit)	-	244	3,166
Opening equity		3,376	210
Closing equity		\$ 3,620	\$ 3,376
Composition of Closing Equity			
Cash	\$	-	\$ -
Accounts Receivable		3,620	3,376
Accounts Payable		-	-
	\$	3,620	\$ 3,376

DELINE

District Education Authority
Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	39,390	-	-	-	11,056	-	50,446
Board/Trustee Honoraria	-	-	-	-	7,256	5,820	13,076
	39,390	-	-	-	18,312	5,820	63,522
Employee Benefits							
Employee Benefits/Allowances	500	-	-	-	-	-	500
Leave and Termination Benefits	-	-	-	-	-	-	-
	500	-	-	-	-	-	500
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,250	-	1,250
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	4,000	-	-	-	-	-	4,000
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	4,000	-	-	-	1,250	-	5,250
Materials/Supplies/Freight							
Materials	42,987	-	-	-	-	14,180	57,167
Freight	-	-	-	-	-	-	-
	42,987	-	-	-	-	14,180	57,167
Total	\$ 86,877	\$ -	\$ -	\$ -	\$ 19,562	\$ 20,000	\$ 126,439

FORT GOOD HOPE

District Education Authority
Statement of Operations

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 27,000	\$ 27,000	\$ 25,445
GNWT	-	132,234	-
Other	-	4,400	-
Deferred Revenue	-	(50,065)	-
	27,000	113,569	25,445
Expenses			
Administration	19,510	16,932	15,910
School programs	7,490	97,052	3,048
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	27,000	113,984	18,958
Surplus (Deficit)	-	(415)	6,487
Opening equity		5,411	(1,076)
Closing equity		\$ 4,996	\$ 5,411
Composition of Closing Equity			
Cash	\$	-	\$ -
Accounts Receivable		4,996	5,411
Accounts Payable		-	-
	\$	4,996	\$ 5,411

FORT GOOD HOPE

District Education Authority
Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	31,816	-	-	-	11,081	-	42,897
Board/Trustee Honoraria	-	-	-	-	4,601	-	4,601
	31,816	-	-	-	15,682	-	47,498
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,250	-	1,250
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	-	-	-	-	1,250	-	1,250
Materials/Supplies/Freight							
Materials	65,236	-	-	-	-	-	65,236
Freight	-	-	-	-	-	-	-
	65,236	-	-	-	-	-	65,236
Total	\$ 97,052	\$ -	\$ -	\$ -	\$ 16,932	\$ -	113,984

NORMAN WELLS

District Education Authority
Statement of Operations

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 31,000	\$ 31,000	\$ 30,975
GNWT	-	154,747	-
Other	-	1,700	-
Deferred Revenue	-	(43,281)	-
Contributions Repaid	-	(3,806)	-
	31,000	140,360	30,975
Expenses			
Administration	8,250	16,413	19,136
School programs	22,750	113,731	11,694
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	8,741	-
	31,000	138,885	30,830
Surplus (Deficit)	-	1,475	145
Opening equity		16,402	16,257
Closing equity		\$ 17,877	\$ 16,402
Composition of Closing Equity			
Cash	\$	-	\$ -
Accounts Receivable		17,877	16,402
Accounts Payable		-	-
	\$	17,877	\$ 16,402

NORMAN WELLS

District Education Authority
 Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	20,472	-	-	-	10,644	-	31,116
Board/Trustee Honoraria	-	-	-	-	-	1,305	1,305
	20,472	-	-	-	10,644	1,305	32,421
Employee Benefits							
Employee Benefits/Allowances	200	-	-	-	-	-	200
Leave and Termination Benefits	-	-	-	-	-	-	-
	200	-	-	-	-	-	200
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,250	-	1,250
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	1,185	-	-	-	-	-	1,185
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	4,519	-	4,519
Other	21,097	-	-	-	-	-	21,097
	22,282	-	-	-	5,769	-	28,051
Materials/Supplies/Freight							
Materials	70,777	-	-	-	-	7,436	78,213
Freight	-	-	-	-	-	-	-
	70,777	-	-	-	-	7,436	78,213
Total	\$ 113,731	\$ -	\$ -	\$ -	\$ 16,413	\$ 8,741	\$ 138,885

TULITA

District Education Authority Statement of Operations

For the year ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Contributions from Divisional Council	\$ 28,000	\$ 28,000	\$ 28,321
GNWT	-	131,350	-
Other	-	9,100	-
Deferred Revenue	-	(43,431)	-
	<u>28,000</u>	<u>125,019</u>	<u>28,321</u>
Expenses			
Administration	14,250	14,960	16,016
School programs	10,938	103,358	11,785
Inclusive schooling	-	-	-
School accommodations	-	-	-
Operations and maintenance	-	-	-
Aboriginal language/cultural programs	-	-	-
	<u>25,188</u>	<u>118,318</u>	<u>27,801</u>
Surplus (Deficit)	2,812	6,701	520
Opening equity		(386)	(906)
Closing equity		\$ 6,315	\$ (386)
Composition of Closing Equity			
Cash		\$ -	\$ -
Accounts Receivable		6,315	-
Accounts Payable		-	(386)
		<u>\$ 6,315</u>	<u>\$ (386)</u>

TULITA

District Education Authority
 Details of Expenses

For the year ended June 30, 2015

Function	School Programs	Inclusive Schooling	Student Accommodation	Operations & Maintenance	Administration	Aboriginal Languages	Total
Salaries							
Teachers' Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Instruction Assistant	-	-	-	-	-	-	-
Non Instructional Staff	25,434	-	-	-	11,496	-	36,930
Board/Trustee Honoraria	4,765	-	-	-	2,214	-	6,979
	30,199	-	-	-	13,710	-	43,909
Employee Benefits							
Employee Benefits/Allowances	-	-	-	-	-	-	-
Leave and Termination Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Services Purchased/Contracted							
Professional/Technical Services	-	-	-	-	1,250	-	1,250
Postage/Communication	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Travel	16,400	-	-	-	-	-	16,400
Student Transportation	-	-	-	-	-	-	-
Advertising/Printing/Publishing	-	-	-	-	-	-	-
Maintenance/Repair	-	-	-	-	-	-	-
Rentals/Leases	-	-	-	-	-	-	-
Other - Contracted Services	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	16,400	-	-	-	1,250	-	17,650
Materials/Supplies/Freight							
Materials	56,759	-	-	-	-	-	56,759
Freight	-	-	-	-	-	-	-
	56,759	-	-	-	-	-	56,759
Total	\$ 103,358	\$ -	\$ -	\$ -	14,960	\$ -	118,318

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL

FORT SMITH, NT.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

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**Management Discussion and Analysis
For the year ended June 30, 2015**

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 and its mandate is to provide quality pre-kindergarten (4 yr olds) to approximately 1,300 grade twelve 12 education in the communities of Hay River, Fort Smith, K'atloodceche, 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 2014-2015 representatives were as follows:

- Fort Smith – Ann Pischinger (Chairperson)
- Fort Resolution – Bess Ann McKay (Vice-Chairperson)
- Hay River – Kandis Jameson
- K'atloodceche – Shirley Lamalice
- Lutsel K'e – Prairie Desjarlais

Key senior management positions are as follows:

- Superintendent – Dr. Curtis Brown
- Assistant Superintendent – Brent Kaulback
- Comptroller – James Watts, 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	<i>The South Slave Divisional Education Council strives to prepare students to create their futures by ensuring high levels of learning for ALL.</i>

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 funding formula established by the *GNWT Department of Education, Culture and Employment (ECE)*. Unfortunately, there are a number of unfunded and underfunded areas in the formula. For example:

- school boards are funded based on prior year staff salaries yet collective agreement provisions provide annual salary increments to staff which school boards must pay
- ECE confirms that they are underfunding school boards more than \$1 million per year for the hiring of casuals resulting from staff leave provisions in the collective agreements
- several of the funding formula line items are not indexed to keep up with inflation and have not increased in over 15 years (bussing contracts and repairs, for example, have probably more than doubled in that same timeframe)
- ECE funding formula does not provide an allocation for technology personnel (every school board in the NWT has between one and four unfunded technicians on staff).

A funding reduction (inclusive schooling) and an expanded mandate (adding junior Kindergarten with less funding) also contributed to the financial challenges of the SSDEC in recent years. Prior to these decisions, the NWT already had the third worst student-educator ratio of all the provinces and territories in Canada (see <http://www.statcan.gc.ca/pub/81-582-x/2013001/tbl/tblc2.3-eng.htm>).

Shrinking enrolment has also brought significant challenges over the last several years. South Slave student enrolment is now almost two thirds what it was fifteen years ago (approx. 1300 now vs. over 1800 previously). Fewer students means less funding and less flexibility the Council has to allocate the resources necessary to continue to fund its priorities and a diversity of program offerings.

	<u>Enrolment</u>		<u># of Teachers</u>	
	<u>Sept.</u> <u>2014</u>	<u>June</u> <u>2015</u>	<u>Sept.</u> <u>2014</u>	<u>June</u> <u>2015</u>
Joseph Burr Tyrrell	272.0	259.0	19.0	20.0
Paul William Kaeser	237.0	230.0	21.8	23.5
Total Fort Smith	509.0	489.0	40.8	43.5
Harry Camsell	159.0	164.0	10.3	10.5
Princess Alexandra	148.0	158.0	10.1	9.5
Diamond Jenness	231.0	216.0	20.0	21.1
Total Hay River	538.0	538.0	40.4	41.1
Chief Sunrise	62.0	60.0	7.0	7.0
Deninu	108.0	105.0	10.8	10.3
Lutsel K'e	73.0	81.0	7.0	6.5
SSDEC totals	1290.0	1273.0	106.0	108.4

The significant enrolment drop, combined with the change in the teacher allocations for larger schools in the funding formula, has already resulted in reduced funding for larger schools. This coming year, 2015-16 has seen a reduction of four Fort Smith teachers and two Hay River teachers.

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 <i>literacy</i>	To increase the percentage of students meeting or exceeding expectations for reading proficiency
To improve student success in <i>numeracy</i>	To increase the percentage of students meeting or exceeding expectations for numeracy proficiency
To increase understanding and practice of <i>socially responsible behaviour</i> 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 test results over the past several years. Further indicative of the SSDEC's success are the various awards received including the *Ministerial Literacy Award* 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.

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*, a teacher has received a *Prime Minister's Award for Teaching Excellence*, three of the South Slave school principals have now been selected to the exclusive National Academy of *Canada's Outstanding Principals (The Learning Partnership)*, and the SSDEC Superintendent and Assistant Superintendent are the first and only northern recipients of the *Canadian Superintendent of the Year* award (*Canadian Association of School System Administrators (CASSA) & American Association of School Administrators (AASA)*). Two of the five SSDEC trustees also received the *Queen's Diamond Jubilee* medals for exemplary service to their communities.

We continued to see the hard work of our educators and education partners recognized this past year:

- The *Lutsel K'e Chipewyan Dictionary Project*, spearheaded by SSDEC assistant superintendent Brent Kaulback and community elders, was honoured with the 2015 *Premier's Award for Collaboration*.
- Long-time Slavey language teacher Doris Camsell was inducted into the *Minister's Education Hall of Fame*.

These two awards are also examples of how effective literacy efforts are being encouraged and supported in our Aboriginal language programs in Cree, Slavey, Chipewyan, not just English and French.

Further, the SSDEC's Leadership for Literacy initiative was recently shortlisted to one of just six school boards in Canada in the running for the *Canadian Educator's Association's "Innovation that Sticks" Award* and Case Study Program. This is on the heels of the SSDEC becoming the first school board in Canada to win Gold in the education category of the *Public Sector Leadership Awards*, awarded by IPAC (*Institute of Public Administration of Canada*) and Deloitte in 2014.

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 2014-15:

- 94% of parents (74% response rate) have discussed with their teacher and understand their child's *reading* strengths and stretches (target 90% of parents with 60% response rate)
- 91% of parents say they are satisfied with their child's growth as a *reader* (target 90%)

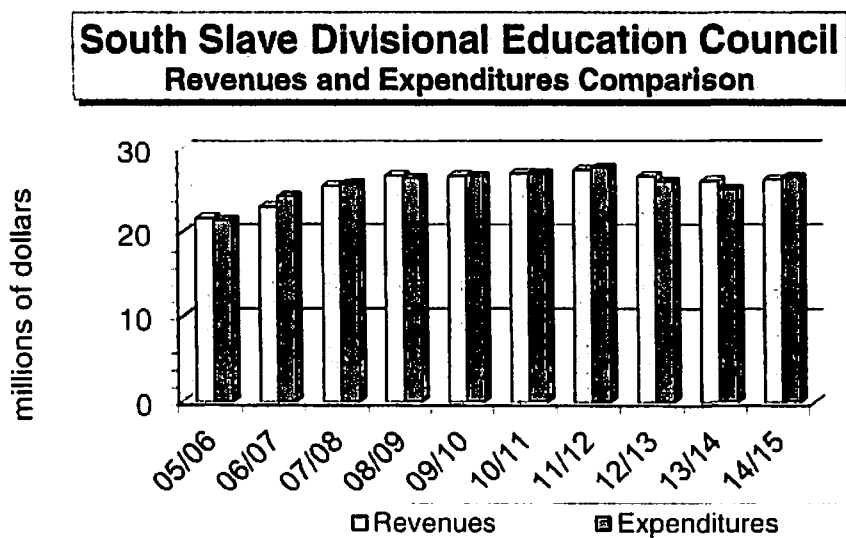
- 90% of parents (74% response rate) have discussed with their teacher and understand their child's *math* strengths and stretches (target 90% of parents with 60% response rate)
- 89% of parents say they are satisfied with their child's growth as a *mathematician* (target 90%)
- 81% of parents participate in at least one Community Education Planning day, 3-way conference or parent workshop (target 60%)

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

ECE's new *Education Renewal and Innovation* initiative includes initiatives that might help to 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. Two pie charts at the end of the financial statements show revenues and expenses by program.



For the year ended June 30, 2015 the Council had an operating deficit of \$236,936 inclusive of DEA surpluses and deficits. This was better than the projected deficit of \$1,212,425. The yearly result was better than budgeted mostly due to the average teacher salary being less than expected while revenues were approximately \$500,000 more than budgeted. Schools collectively dipped into their accumulated surpluses in the amount of \$400,000 through the course of 2014-15 as well.

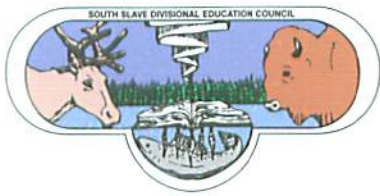
The accumulated uncommitted fund balance for the Council now sits at \$705,507 which is \$205,507 above the Council's minimum fund balance of \$500,000 spelled out in policy DFAA – Financial Surplus. The Council's budget for 2015-16 is a deficit budget that projects to bring the uncommitted fund balance down to just under \$264,000.

Currently the Council's liquidity position is good but there is still the concern that funds could be short around the end of March because of ECE's uneven and back-end loaded distribution of allocations to school boards. Given that about 80% of the SSDEC's expenditures are for staffing payroll and benefits, any unanticipated reductions in allocations from ECE would be difficult to adjust for until the following school year.

Summary and Outlook

In summary, the SSDEC is in a positive financial position consistent with Council Policy that requires at least \$500,000 uncommitted surplus.

The anticipation of a new Territorial government brings with it potential that existing challenges will be rectified, but uncertainty about the ability of the new government to address those challenges without inadvertently created more difficult challenges that might undermine the SSDEC, DEAs' and schools' ability to maintain and further improve student outcomes. Council fears the significant progress that has been made in the South Slave in the past several years could be undone with a potentially escalating student-educator ratio, compounded by existing unfunded and underfunded expenses (salary increments, casual costs, technology PYs, etc.) and cost increases (several formula funding lines not indexed to keep up with inflation). The SSDEC remains eager to work with the Minister and ECE to help provide the best possible education.



Creating Futures

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

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

Approved and confirmed on behalf of the South Slave Divisional Education Council

Dr. Curtis Brown
Superintendent

Jamfe Watt, 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, 2015 and the Consolidated Statements of Changes in Net Financial Resources (Debt), Operations and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

The Government of the Northwest Territories is responsible for the calculation and distribution of a significant portion of the Council's salaries and wages that appear on the consolidated statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the Council's records. Consequently, we were unable to determine whether adjustments to the financial performance and cash flows might be necessary for the years ended June 30, 2014, and June 30, 2015.

INDEPENDENT AUDITORS' REPORT (continued)

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of South Slave Divisional Education Council as at June 30, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Certified General Accountants
Yellowknife, NT

September 19, 2015, except as to Note 37, which is as of October 2, 2015.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2015**

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents (Note 4)	\$6,886,886	\$6,634,796
Trust Assets (Note 18)	79,972	79,693
Due from the GNWT (Note 8)	26,849	49,628
Due from the Government of Canada (Note 8)	0	258,436
Other Accounts Receivable (Note 8)	<u>168,614</u>	<u>178,646</u>
Total Financial Assets	<u>\$7,162,322</u>	<u>\$7,201,200</u>
<u>Liabilities</u>		
Bank Indebtedness	\$14,268	\$16
Accounts Payable and Accrued Liabilities (Note 10)	150,988	120,026
Trust Liabilities (Note 18)	79,972	79,693
Due to the GNWT (Note 10)	38,653	880,950
Payroll Liabilities (Note 35)	1,990,643	1,351,194
Deferred Revenue (Note 11)	86,258	3,472
Post-Employment Benefits (Note 17)	<u>2,571,909</u>	<u>2,299,282</u>
Total Liabilities	<u>\$4,932,691</u>	<u>\$4,734,633</u>
Net Financial Resources	<u>\$2,229,630</u>	<u>\$2,466,566</u>
<u>Non-Financial Assets</u>		
Prepaid Expenses (Note 20)	\$0	\$0
Accumulated Surplus	<u>\$2,229,630</u>	<u>\$2,466,566</u>
Contractual Obligations and Contingencies (Notes 24 and 25)		

Approved:


Chairperson


Comptroller

See attached notes and schedules.

Statement II

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL RESOURCES
For the Year Ended June 30, 2015**

	<u>2015</u>	<u>2014</u>
Operating Surplus/(Deficit)	(\$236,936)	\$1,000,521
Prior Year Adjustments	<u>0</u>	<u>0</u>
Increase/(Decrease) in Net Financial Resources (Statement III)	(\$236,936)	\$1,000,521
Opening Net Financial Resources	<u>2,466,566</u>	<u>1,466,045</u>
Closing Net Financial Resources	<u><u>\$2,229,630</u></u>	<u><u>\$2,466,566</u></u>

See attached notes and schedules.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015**

	(unaudited) <u>2015 Budget</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
ECE Regular Contributions	\$23,883,065	\$24,379,170	\$24,405,871
Other ECE Contributions	325,040	847,222	717,929
Total ECE Contributions	<u>\$24,208,105</u>	<u>\$25,226,392</u>	<u>\$25,123,800</u>
Other GNWT Contributions	\$0	\$272,439	\$183,532
Total GNWT Contributions	<u>\$24,208,105</u>	<u>\$25,498,831</u>	<u>\$25,307,332</u>
Other Education Bodies	\$0	\$136,283	\$0
Government of Canada Contributions	\$14,560	(\$25,877)	\$286,943
Generated Funds			
Investment Income	\$500	\$57,173	\$38,397
Non-GNWT Contributions	0	238,947	119,000
Donations	0	32,000	37,000
Other	59,500	359,921	322,884
Total Generated Funds	<u>\$60,000</u>	<u>\$688,041</u>	<u>\$517,281</u>
Total Revenues	<u>\$24,282,665</u>	<u>\$26,297,278</u>	<u>\$26,111,556</u>
<u>EXPENSES (Schedule 1)</u>			
Administration	\$1,520,532	\$1,573,167	\$1,540,075
School Programs	16,251,777	17,260,748	16,942,484
Inclusive Schooling	5,159,061	4,941,645	4,228,662
Distance Learning/Technology	310,000	320,330	311,726
Operations and Maintenance	422,002	263,007	277,428
Aboriginal Language/Cultural Programs	1,831,718	2,175,318	1,810,659
Total Expenses	<u>\$25,495,090</u>	<u>\$26,534,214</u>	<u>\$25,111,034</u>
OPERATING SURPLUS/(DEFICIT)	<u><u>(\$1,212,425)</u></u>	<u><u>(\$236,936)</u></u>	<u><u>\$1,000,521</u></u>
Opening Accumulated Surplus		<u>2,466,566</u>	<u>1,466,045</u>
Closing Accumulated Surplus		<u><u>\$2,229,630</u></u>	<u><u>\$2,466,566</u></u>

See attached notes and schedules.

Statement IV

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED STATEMENT OF CASH FLOW
For the Year Ended June 30, 2015**

	<u>2015</u>	<u>2014</u>
Cash Provided By (Used In):		
Operating Surplus/(Deficit) - Statement III	(\$236,936)	\$1,000,521
Changes in Non-cash Assets and Liabilities		
Decrease (increase) due from Government of Canada	\$258,436	\$0
Decrease (increase) in accounts receivable	32,811	25,534
Increase (decrease) in acc. payroll/emp.deductions	639,449	721,654
Increase (decrease) in accounts payable	(811,335)	(19,275)
Increase (decrease) in trust liability	279	(221)
Increase (decrease) in deferred revenue	82,786	(26,721)
Increase (decrease) in post-employment benefits	272,627	138,038
Decrease (increase) in prepaid expenses	<u>0</u>	<u>0</u>
Cash Provided by (Used In) Operating Transactions	<u>\$238,117</u>	<u>\$1,839,530</u>
Increase/(Decrease) in Cash and Cash Equivalents	<u>\$238,117</u>	<u>\$1,839,530</u>
Cash and Cash Equivalents at Beginning of Year	\$6,714,473	\$4,874,943
Cash and Cash Equivalents at End of Year	<u><u>\$6,952,590</u></u>	<u><u>\$6,714,473</u></u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

Note 1. Nature of the Organization

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

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

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

Note 2. Significant Accounting Policies

a) Basis of Accounting

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

b) Cash and Cash Equivalents

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

c) Financial Instruments

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

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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) Revenue Recognition

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.

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

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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

f) Infrastructure Funding

Any personnel 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.

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*.

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 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.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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 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 benefits is dependent on employees leaving the Council and other criteria as outlined in the negotiated collective agreements and management handbook guidelines of the GNWT.

l) Special Purpose Funds

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

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

Student activity funds which are controlled by students or parties other than the Council are not included in these financial statements even if custody of the funds is held by the Council. Examples might include student clubs or associations for which the Council has no on-going responsibility or liability for losses.

Note 3. Future Accounting Changes

Nothing to report.

Note 4. Cash and Cash Equivalents

	<u>2015</u>	<u>2014</u>
Cash	<u>\$6,952,590</u>	<u>\$6,714,473</u>
Total	<u>\$6,952,590</u>	<u>\$6,714,473</u>

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

	<u>2015 Net</u>	<u>2014 Net</u>
Commission Scolaire de Francophone	\$ 17,124	\$ 12,806
Princess Alexandra School	203	0
GNWT – HSS	0	9,500
GNWT – ECE	<u>9,522</u>	<u>27,322</u>
Total due from GNWT	\$ 26,849	\$ 49,628
Due from Government of Canada	0	248,114
Other	<u>168,614</u>	<u>188,968</u>
Total Receivables	<u>\$195,463</u>	<u>\$486,710</u>

Note 9. Inventories

Not applicable.

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

Note 10. Accounts Payable

	<u>2015</u>	<u>2014</u>
WSCC	\$ 31,500	\$ 26,106
GNWT – Dept. of Finance	7,153	805,831
GNWT – Dept. of Education, Culture & Employment	<u>0</u>	<u>49,013</u>
Total Due to GNWT	\$ 38,653	\$ 880,950
Other	<u>150,988</u>	<u>120,026</u>
Total Accounts Payable	<u>\$189,641</u>	<u>\$1,000,976</u>

Note 11. Deferred Revenue

	<u>2015</u>	<u>2014</u>
Self-Regulation resources (from ECE)	\$ 5,116	\$ 3,472
Not Us – Hay River (Justice)	5,000	0
TLC Funding (ECE)	<u>61,000</u>	<u>0</u>
Total GNWT	\$ 71,116	\$ 3,472
Autism Speaks	<u>15,142</u>	<u>0</u>
Total Deferred Revenue	<u>\$ 86,258</u>	<u>\$ 3,472</u>

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

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn retirement and severance

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the government.

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

	<u>2015</u>	<u>2014</u>
Removal Assistance	\$ 666,924	\$ 644,176
Termination, Severance, Resignation & Retirement	1,780,841	1,532,180
Leave *	<u>124,146</u>	<u>122,926</u>
	<u>\$2,571,911</u>	<u>\$2,299,282</u>

* Leave includes annual and lieu time for UNW, Excluded, Senior Management and Contract employees.

18. Trust Assets Under Administration

	<u>2015</u>	<u>2014</u>
Andrew John Piche Scholarship Fund	\$79,972	\$79,693

19. Tangible Capital Assets

Nothing to report.

20. Prepaid Expenses

Nothing to report.

21. Accumulated Surplus/Deficit

Not applicable.

22. Capital Advances

Not applicable.

23. GNWT Assests Provided at no Cost.

	<u>Cost</u>	<u>Acc. Amort.</u>	<u>2015 NBV</u>	<u>2014NBV</u>
Joseph Burr Tyrrell School	\$9,413,958	\$4,382,341	\$5,031,617	\$5,271,455
Paul William Kaeser School	7,635,685	4,479,749	3,155,936	3,370,387
Deninu School	4,934,553	4,934,553	0	0
Lutsel K'e Dene School	2,117,192	1,562,651	554,541	611,417
Princess Alexandra School	7,672,236	4,401,159	3,271,077	3,548,367

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

Diamond Jenness School	33,724,083	7,759,027	25,965,057	27,187,520
Harry Camsell School	6,429,918	3,575,120	2,854,798	3,037,966
Chief Sunrise Education Ctr.	2,180,109	781,203	1,398,906	1,471,693
DJSS Trades Building	2,423,804	284,740	2,139,064	2,199,604
Hay River Central Seacan	832,998	236,016	596,982	652,515
PWK High School Seacan	687,229	194,715	492,514	538,330
PWK Welding Shop	389,368	6,489	382,879	0
	<u>\$78,441,135</u>	<u>\$32,597,763</u>	<u>\$45,843,372</u>	<u>\$47,889,255</u>

24. Contractual Obligations

	<u>Expired in 2015</u>	<u>2016</u>	<u>2017 Onward</u>	<u>Total</u>
Commercial/Residential Leases	\$158,650	\$158,650	\$370,184	\$687,484
Equipment Leases	40,749	30,234	25,937	96,920
Operational Leases	<u>7,286</u>			<u>7,286</u>
Totals	<u>\$206,685</u>	<u>\$188,884</u>	<u>\$396,121</u>	<u>\$791,690</u>

25. Contingencies

Nothing to report.

26. Related Parties

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

Accounts Payable

	<u>2015</u>	<u>2014</u>
Dept. of Finance	\$ 7,153	\$ 805,831
Dept. of Education, Culture and Employment	0	49,013

Accounts Receivable

Commission Scolaire de Francophone	17,124	12,806
Princess Alexandra School	203	0
Dept. of Health and Social Services	0	9,500
Dept. of Education, Culture and Employment	9,522	27,322

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

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 Council.

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 6, 2014 and have not been audited.

28. Economic Dependence

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

29. Financial Instruments

The Council's carrying value of cash, accounts receivable, due from the GNWT, accounts payable and accrued liabilities, due to the GNWT, accrued salaries and the trust liability approximate fair value due to the immediate and short-term maturity of these instruments.

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

It is management's opinion that the Council is not exposed to significant interest rate, currency, market, credit, liquidity or cash flow risks arising from these financial instruments and that there are no significant concentrations of such risks.

30. Expenses by Object

	<u>2015 Budget</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
Compensation	\$22,222,069	\$23,094,654	\$21,816,439
Other	<u>3,192,891</u>	<u>3,439,560</u>	<u>3,294,595</u>
Total	<u>\$25,414,960</u>	<u>\$26,534,214</u>	<u>\$25,107,145</u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

31. Subsequent Events

Nothing to report.

32. Comparative Figures

The revenue figures from 2014 have been restated to conform to the new format for comparative purposes.

33. Other ECE Contributions

French as a Second Language	\$371,040
Aboriginal Languages	62,000
Trades Awareness	53,472
French Monitors	12,000
Career Coordinators	144,720
Self Regulation Resources	5,356
Action Research	7,000
French PD Travel Assistance	3,000
Career Cruising	(370)
Library Program	38,300
W.I.T.S Program	704
Diamond Jenness FF&E	<u>150,000</u>
Total	<u>\$847,222</u>

34. Other GNWT Contributions

Not Us – Hay River (Justice)	\$ 5,000
Not Us – Fort Smith (Justice)	5,000
Not Us – Lutsel K'e (Justice)	5,000
Not Us – K'atlo'deeche	5,000
Progressive Experience (HR)	3,333
Drop the Pop (HSS)	17,775
Northern Grad (HR)	15,625
Take a Kid Trapping – Fort Resolution (ITI)	8,000
Regional Youth Sports (MACA)	3,004
Youth Corps (MACA)	20,000
Child & Youth Resilience (MACA)	15,000
Trapping program – Fort Smith (ITI)	10,000
Healthy Choices (HSS)	67,203
Trapping Program – Hay River (ITI)	10,000
Forestry Program (ENR)	34,123
BCP Grant	3,083
UofA Field Trip	4,000

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NOTES TO THE CONSOLIDATED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015

Active After School	15,922
Take A Kid Trapping – Lutsel K’e (ITI)	8,000
Take A Kid Trapping – K’atlo’deeche (ITI)	14,000
Local Sports (MACA)	<u>3,371</u>
Total	<u>\$272,439</u>

35. Payroll liabilities

NWTTA	\$1,826,423
UNW	163,571
Other	<u>649</u>
Total	<u>\$1,990,643</u>

36. Statement of Measurement Gains/Losses

Nothing to report.

37. Commitments Against Surplus

The Council currently has approved commitments against its surplus of \$1,626,400 consisting mainly of school staffing surpluses as detailed in Schedule 28 to the financial statements.

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015**

	School Programs	Inclusive Schooling	Distance Learning/Tech	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	\$13,054,252	\$1,984,821	\$0	\$0	\$0	\$1,056,072	\$0	\$16,095,145
Instruction Assistants	\$267,119	\$1,785,112	\$0	\$0	\$0	\$475,406	\$0	\$2,527,637
Non-Instructional Staff	\$1,885,200	\$452,027	\$260,441	\$0	\$1,157,686	\$8,000	\$0	\$3,763,355
Board/Trustee Honoraria	\$0	\$1,030	\$0	\$0	\$33,457	\$1,927	\$0	\$36,415
Employee Benefits								
Employee Benefits/Allowances	\$178,628	\$71,161	\$2,905	\$0	\$8,714	\$20,332	\$0	\$281,740
Leave & Termination Benefits	\$247,501	\$98,598	\$4,024	\$0	\$12,073	\$28,171	\$0	\$390,367
Services Purchased/Contracted								
Professional/Technical Services	\$12,040	\$92,220	\$0	\$10,000	\$44,946	\$23,158	\$0	\$182,364
Postage/Communication	\$55,930	\$83	\$0	\$0	\$57,793	\$0	\$0	\$113,807
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$156,340	\$197,663	\$12,625	\$0	\$90,845	\$75,346	\$0	\$532,819
Student Travel	\$119,511	\$11,394	\$0	\$0	\$2,948	\$1,820	\$0	\$135,674
Advertising/Printing/Publishing	\$12,794	\$372	\$0	\$12,548	\$12,058	\$26,997	\$0	\$64,769
Maintenance/Repair	\$3,630	\$0	\$0	\$0	\$12,831	\$0	\$0	\$16,462
Rentals/Leases	\$64,388	\$5,745	\$0	\$163,713	\$39,349	\$9,845	\$0	\$283,041
Contracted Services	\$332,005	\$82,244	\$0	\$9,086	\$2,560	\$115,581	\$0	\$541,476
Materials/Supplies/Freight								
Materials	\$853,814	\$157,917	\$40,336	\$52,031	\$93,594	\$330,883	\$0	\$1,528,575
Freight	\$17,595	\$1,259	\$0	\$15,629	\$4,309	\$1,781	\$0	\$40,573
Total	\$17,260,748	\$4,941,645	\$320,330	\$263,007	\$1,573,167	\$2,175,318	\$0	\$26,534,214

Schedule 2

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2015

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$118,137	\$100,053
Cash Held in Trust	79,972	76,693
Other Accounts Receivable (net)	2,133	1,153
Total Financial Assets	<u>\$200,242</u>	<u>\$180,899</u>
<u>Liabilities</u>		
Accounts Payable & Accrued Liabilities	(\$845)	\$41,696
Trust Liability	79,972	79,693
Total Liabilities	<u>\$79,127</u>	<u>\$121,389</u>
Net Financial Resources	<u>\$121,115</u>	<u>\$59,510</u>
Accumulated Fund Balance	<u>\$121,115</u>	<u>\$59,510</u>

Schedule 3

FORT SMITH DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015

	<u>2015 Budget</u> <u>(unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
ECE Regular Contributions	\$568,788	\$568,788	\$474,033
Other ECE Contributions	0	102,180	88,300
Total ECE Contributions	\$568,788	\$670,968	\$562,333
Other GNWT Contributions	\$0	\$10,000	\$13,000
Total GNWT Contributions	\$568,788	\$680,968	\$575,333
Generated Funds			
Investment Income	\$500	\$798	\$898
Other	30,000	52,334	85,864
Total Generated Funds	\$30,500	\$53,131	\$86,762
Total Revenues	\$599,288	\$734,099	\$662,095
<u>EXPENSES (Schedule 4)</u>			
Administration	\$60,300	\$68,889	\$66,568
School Programs	366,115	415,866	510,651
Inclusive Schooling	9,368	22,358	29,462
Student Accommodations	0	0	0
Operations and Maintenance	0	25,019	27,797
Aboriginal Language/Cultural Programs	183,635	140,364	89,217
Total Expenses	\$619,418	\$672,495	\$723,697
Operating Surplu/(Deficit)	(\$20,130)	\$61,605	(\$61,602)
Accumulated Fund Balance at beginning of year		59,510	121,112
Prior Period Adjustment		\$0	0
Accumulated Fund Balance at end of year		\$121,115	\$59,510

**FORT SMITH DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015**

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	\$1,444							\$1,444
Instruction Assistants								\$0
Non-Instructional Staff					\$61,481			\$61,481
Board/Trustee Honoraria								\$0
Employee Benefits								
Employee Benefits/Allowances								\$0
Leave & Termination Benefits								\$0
Services Purchased/Contracted								
Professional/Technical Services								\$0
Postage/Communication	\$29,624				\$3,292			\$32,916
Utilities								\$0
Travel								\$0
Student Travel								\$0
Advertising/Printing/Publishing	\$811							\$811
Maintenance/Repair	\$2,995							\$2,995
Rentals/Leases	\$16,723				\$1,858			\$18,581
Contracted Services	\$70,817							\$70,817
Materials/Supplies/Freight								
Materials	\$293,450	\$22,358		\$25,019	\$2,258	\$140,364		\$483,449
Freight								\$0
Total	\$415,866	\$22,358	\$0	\$25,019	\$68,889	\$140,364	\$0	\$672,495

HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2015

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$354,812	\$252,595
Due from the GNWT	17,327	12,806
Other Accounts Receivable (net)	<u>0</u>	<u>0</u>
Total Financial Assets	<u>\$372,139</u>	<u>\$265,401</u>
<u>Liabilities</u>		
Accounts Payable & Accrued Liabilities	<u>\$1,240</u>	<u>\$1,382</u>
Total Liabilities	<u>\$1,240</u>	<u>\$1,382</u>
Net Financial Resources	<u>\$370,899</u>	<u>\$264,019</u>
Accumulated Fund Balance	<u><u>\$370,899</u></u>	<u><u>\$264,019</u></u>

**HAY RIVER DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015**

	<u>2015 Budget (unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
ECE Regular Contributions	\$577,253	\$577,253	\$623,172
Other ECE Contributions	0	202,592	129,004
Total ECE Contributions	<u>\$577,253</u>	<u>\$779,845</u>	<u>\$752,176</u>
Other GNWT Contributions	\$0	\$111,326	\$48,750
Total GNWT Contributions	<u>\$577,253</u>	<u>\$891,171</u>	<u>\$800,926</u>
Generated Funds			
Investment Income	\$0	\$786	\$784
Other	29,500	105,745	98,992
Total Generated Funds	<u>\$29,500</u>	<u>\$106,531</u>	<u>\$99,776</u>
Total Revenues	<u>\$606,753</u>	<u>\$997,702</u>	<u>\$900,702</u>
<u>EXPENSES (Schedule 7)</u>			
Administration	\$115,348	\$118,721	\$116,272
School Programs	380,240	676,576	743,316
Inclusive Schooling	51,500	0	600
Student Accommodations	0	0	0
Operations and Maintenance	0	34,114	38,934
Aboriginal Language/Cultural Programs	59,665	61,411	40,149
Total Expenses	<u>\$606,753</u>	<u>\$890,822</u>	<u>\$939,271</u>
Operating Surplus/(Deficit)	<u>\$0</u>	<u>\$106,880</u>	<u>(\$38,569)</u>
Accumulated Fund Balance at beginning of year		<u>264,019</u>	<u>302,588</u>
Accumulated Fund Balance at end of year		<u>\$370,899</u>	<u>\$264,019</u>

HAY RIVER DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								\$0
Instruction Assistants	\$265,869					\$22,080		\$287,949
Non-Instructional Staff					\$103,421			\$103,421
Board/Trustee Honoraria					\$8,635			\$8,635
Employee Benefits								
Employee Benefits/Allowances								\$0
Leave & Termination Benefits								\$0
Services Purchased/Contracted								
Professional/Technical Services								\$0
Postage/Communication	\$24,530				\$3,055			\$27,585
Utilities								\$0
Travel								\$0
Student Travel	\$5,352							\$5,352
Advertising/Printing/Publishing								\$0
Maintenance/Repair								\$0
Rentals/Leases	\$34,675							\$34,675
Contracted Services	\$164,386							\$164,386
Materials/Supplies/Freight								
Materials	\$181,764			\$19,361	\$3,610	\$39,331		\$244,066
Freight				\$14,753				\$14,753
Total	\$676,576	\$0	\$0	\$34,114	\$118,721	\$61,411	\$0	\$890,822

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2015

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$21,678	\$26,964
Other Accounts Receivable (net)	<u>13,600</u>	<u>0</u>
Total Financial Assets	<u>\$35,278</u>	<u>\$26,964</u>
<u>Liabilities</u>		
Accounts Payable & Accrued Liabilities	<u>\$27,920</u>	<u>\$0</u>
Total Liabilities	<u>\$27,920</u>	<u>\$26,964</u>
Net Financial Resources	<u>\$7,358</u>	<u>\$26,964</u>
Accumulated Fund Balance	<u><u>\$7,358</u></u>	<u><u>\$26,964</u></u>

Schedule 9

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015

	<u>2015 Budget</u> <u>(unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
Regular ECE Contributions	\$68,076	\$68,076	\$60,263
Other ECE Contributions	0	71,934	56,787
Total ECE Contributions	<u>\$68,076</u>	<u>\$140,010</u>	<u>\$159,263</u>
Other GNWT Contributions	\$0	\$17,371	\$42,213
Total GNWT Contributions	<u>\$68,076</u>	<u>\$157,381</u>	<u>\$159,263</u>
Generated Funds			
Investment Income	\$0	\$12	\$15
Other	0	50,958	19,231
Total Generated Funds	<u>\$0</u>	<u>\$50,970</u>	<u>\$19,246</u>
Total Revenues	<u>\$68,076</u>	<u>\$208,351</u>	<u>\$178,509</u>
<u>EXPENSES (Schedule 10)</u>			
Administration	\$29,850	\$19,323	\$13,897
School Programs	26,626	161,258	82,684
Inclusive Schooling	0	29,027	5,455
Student Accommodations	0	0	0
Operations and Maintenance	5,600	4,636	4,252
Aboriginal Language/Cultural Programs	6,000	13,713	6,992
Total Expenses	<u>\$68,076</u>	<u>\$227,957</u>	<u>\$113,280</u>
Operating Surplus/(Deficit)	<u>\$0</u>	(\$19,606)	\$65,229
Accumulated Fund Balance at beginning of year		<u>26,964</u>	<u>(38,265)</u>
Accumulated Fund Balance at end of year		<u>\$7,358</u>	<u>\$26,964</u>

K'ATLODEECHE FIRST NATIONS DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								\$0
Instruction Assistants	\$1,250							\$1,250
Non-Instructional Staff	\$26,528							\$26,528
Board/Trustee Honoraria					\$7,865			\$7,865
Employee Benefits								
Employee Benefits/Allowances								\$0
Leave & Termination Benefits								\$0
Services Purchased/Contracted								
Professional/Technical Services					\$7,443			\$7,443
Postage/Communication					\$3,716			\$3,716
Utilities								\$0
Travel	\$20,516							\$20,516
Student Travel	\$10,735							\$10,735
Advertising/Printing/Publishing								\$0
Maintenance/Repair	\$635							\$635
Rentals/Leases	\$4,407							\$4,407
Contracted Services		\$29,027		\$4,636		\$13,713		\$47,376
Materials/Supplies/Freight								
Materials	\$97,187				\$299			\$97,486
Freight								\$0
Total	\$161,258	\$29,027	\$0	\$4,636	\$19,323	\$13,713	\$0	\$227,957

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2015

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$186,950	\$163,877
Due from GNWT	0	0
Other Accounts Receivable (net)	<u>0</u>	<u>0</u>
Total Financial Assets	<u>\$186,950</u>	<u>\$163,877</u>
<u>Liabilities</u>		
Payroll Liabilities	<u>(\$46)</u>	<u>(\$373)</u>
Total Liabilities	<u>(\$46)</u>	<u>(\$373)</u>
Net Financial Resources	<u>\$186,996</u>	<u>\$164,250</u>
Accumulated Fund Balance	<u><u>\$186,996</u></u>	<u><u>\$164,250</u></u>

Schedule 12

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015

	<u>2015 Budget</u> <u>(unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
Regular ECE Contributions	\$81,784	\$81,784	\$81,696
Other ECE Contributions	0	72,270	91,471
Total ECE Contributions	<u>\$81,784</u>	<u>\$154,054</u>	<u>\$173,167</u>
Other GNWT Contributions	\$0	\$46,004	\$12,000
Total GNWT Contributions	<u>\$81,784</u>	<u>\$200,058</u>	<u>\$185,167</u>
Generated Funds			
Investment Income	\$0	\$0	\$0
Other	0	45,605	68,484
Total Generated Funds	<u>\$0</u>	<u>\$45,605</u>	<u>\$68,484</u>
Total Revenues	<u>\$81,784</u>	<u>\$245,663</u>	<u>\$253,651</u>
<u>EXPENSES (Schedule 13)</u>			
Administration	\$15,750	\$47,388	\$35,006
School Programs	28,034	94,654	122,476
Inclusive Schooling	7,250	33,624	33,394
Student Accommodations	0	0	0
Operations and Maintenance	4,500	3,048	11,145
Aboriginal Language/Cultural Programs	26,250	44,203	42,859
Total Expenses	<u>\$81,784</u>	<u>\$222,917</u>	<u>\$244,880</u>
Operating Surplus/(Deficit)	<u>\$0</u>	<u>\$22,746</u>	<u>\$8,771</u>
Accumulated Fund Balance at beginning of year		<u>164,250</u>	<u>155,479</u>
Accumulated Fund Balance at end of year		<u>\$186,996</u>	<u>\$164,250</u>

FORT RESOLUTION DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								\$0
Instruction Assistants								\$0
Non-Instructional Staff		\$27,582			\$3,986			\$31,568
Board/Trustee Honoraria					\$7,375			\$7,375
Employee Benefits								
Employee Benefits/Allowances								\$0
Leave & Termination Benefits								\$0
Services Purchased/Contracted								
Professional/Technical Services								\$0
Postage/Communication					\$6,084			\$6,084
Utilities								\$0
Travel	\$833				\$3,262	\$3,795		\$7,890
Student Travel	\$1,794				\$2,948	\$1,820		\$6,562
Advertising/Printing/Publishing					\$457			\$457
Maintenance/Repair					\$87			\$87
Rentals/Leases	\$5,000			\$784	\$2,354			\$8,138
Contracted Services	\$22,920			\$1,250	\$2,125	\$19,674		\$45,969
Materials/Supplies/Freight								
Materials	\$63,856	\$6,042		\$927	\$18,001	\$18,915		\$107,740
Freight	\$250			\$87	\$709			\$1,046
Total	\$94,654	\$33,624	\$0	\$3,048	\$47,388	\$44,203	\$0	\$222,917

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at June 30, 2015

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$0	\$0
Other Accounts Receivable (net)	7,900	0
	<hr/>	<hr/>
Total Financial Assets	\$7,900	\$0
<u>Liabilities</u>		
Bank Indebtedness	\$14,268	\$17
Accounts Payable & Accrued Liabilities	43	24
	<hr/>	<hr/>
Total Liabilities	\$14,310	\$41
Net Financial Resources	(\$6,410)	(\$41)
	<hr/>	<hr/>
Accumulated Fund Balance	(\$6,410)	(\$41)
	<hr/> <hr/>	<hr/> <hr/>

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015

	<u>2015 Budget</u> <u>(unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
Regular ECE Contributions	\$73,307	\$73,307	\$66,251
Other ECE Contributions	0	27,900	7,914
Total ECE Contributions	<u>\$73,307</u>	<u>\$101,207</u>	<u>\$74,165</u>
Other GNWT Contributions	\$0	\$31,005	\$27,375
Total GNWT Contributions	<u>\$73,307</u>	<u>\$132,212</u>	<u>\$101,540</u>
Generated Funds			
Investment Income	\$0	\$0	\$0
Donations	0	32,000	37,000
Other	0	55,983	33,877
Total Generated Funds	<u>\$0</u>	<u>\$87,983</u>	<u>\$70,877</u>
Total Revenues	<u>\$73,307</u>	<u>\$220,195</u>	<u>\$172,417</u>
<u>EXPENSES (Schedule 16)</u>			
Administration	\$18,450	\$14,851	\$15,905
School Programs	33,050	119,929	56,060
Inclusive Schooling	2,750	4,193	24,339
Student Accommodations	0	0	0
Operations and Maintenance	6,500	10,713	7,623
Aboriginal Language/Cultural Programs	12,557	76,878	87,606
Total Expenses	<u>\$73,307</u>	<u>\$226,564</u>	<u>\$169,633</u>
Operating Surplus/(Deficit)	<u>\$0</u>	<u>(\$6,369)</u>	<u>\$2,784</u>
Accumulated Fund Balance at beginning of year		<u>(41)</u>	<u>(2,825)</u>
Accumulated Fund Balance at end of year		<u>(\$6,410)</u>	<u>(\$41)</u>

LUTSEL K'E DISTRICT EDUCATION AUTHORITY
SCHEDULE OF EXPENSES
For the Year Ended June 30, 2015

	School Programs	Inclusive Schooling	Student Accom.	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers								\$0
Instruction Assistants		\$600						\$600
Non-Instructional Staff								\$0
Board/Trustee Honoraria					\$4,463	\$2,277		\$6,741
Employee Benefits								
Employee Benefits/Allowances								\$0
Leave & Termination Benefits								\$0
Services Purchased/Contracted								
Professional/Technical Services								\$0
Postage/Communication	\$1,776				\$2,113			\$3,889
Utilities								\$0
Travel	\$857					\$225		\$1,082
Student Travel	\$22,630							\$22,630
Advertising/Printing/Publishing	(\$735)				\$735			\$0
Maintenance/Repair								\$0
Rentals/Leases	\$3,208	\$1,945			\$1,965	\$5,845		\$12,964
Contracted Services	\$20,360			\$3,200		\$43,331		\$66,891
Materials/Supplies/Freight								
Materials	\$62,174	\$1,148		\$6,724	\$3,766	\$24,181		\$97,993
Freight	\$9,659	\$500		\$789	\$1,808	\$1,018		\$13,774
Total	\$119,929	\$4,193	\$0	\$10,713	\$14,851	\$76,878	\$0	\$226,564

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at June 30, 2015**

	<u>2015</u>	<u>2014</u>
<u>Financial Assets</u>		
Cash and Cash Equivalents	\$6,203,663	\$6,071,494
Due from the GNWT	9,522	36,822
Other Accounts Receivable	155,927	468,656
Total Financial Assets	<u>\$6,369,112</u>	<u>\$6,576,972</u>
<u>Liabilities</u>		
Current		
Accounts Payable and Accrued Liabilities	\$131,973	\$90,209
Due to the GNWT	38,610	880,950
Payroll Liabilities	1,990,689	1,351,194
Deferred Revenue	86,258	3,472
Post-Employment Benefits	2,571,909	2,299,282
Total Liabilities	<u>\$4,819,439</u>	<u>\$4,625,107</u>
Net Financial Resources	<u>\$1,549,673</u>	<u>\$1,951,865</u>
<u>Non-Financial Assets</u>		
Prepaid Expenses (Note 20)	\$0	\$0
Accumulated Fund Balance	<u>\$1,549,673</u>	<u>\$1,951,865</u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL RESOURCES
For the Year Ended June 30, 2015

	<u>2015</u>	<u>2014</u>
Annual Surplus/(Deficit) (Schedule 19)	(\$402,192)	\$1,023,909
Prior Year Adjustments	<u>0</u>	<u>0</u>
Increase/(Decrease) in Net Financial Resources	(\$402,192)	\$1,023,909
Opening Accumulated Net Financial Resources	<u>1,951,865</u>	<u>927,956</u>
Closing Accumulated Net Financial Resources	<u><u>\$1,549,673</u></u>	<u><u>\$1,951,865</u></u>

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
NON-CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended June 30, 2015**

	<u>2015 Budget</u> <u>(unaudited)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<u>REVENUES</u>			
ECE Contributions			
Regular ECE Contributions	\$23,883,065	\$24,379,169	\$24,405,871
Other ECE Contributions	325,040	658,219	611,731
Total ECE Contributions	<u>\$24,208,105</u>	<u>\$25,037,388</u>	<u>\$25,017,602</u>
Other GNWT Contributions	\$0	\$56,733	\$40,194
Total GNWT Contributions	<u>\$24,208,105</u>	<u>\$25,094,121</u>	<u>\$25,057,796</u>
Federal Government	\$14,560	(\$25,877)	\$286,943
Other Education Bodies	\$0	\$136,283	\$0
Generated Funds			
Investment Income	\$0	\$55,577	\$36,701
Non-GNWT Contributions	0	238,947	119,000
Donations	0	0	0
Other	0	49,296	16,437
Total Generated Funds	<u>\$0</u>	<u>\$343,820</u>	<u>\$172,137</u>
Total Revenues	<u>\$24,222,665</u>	<u>\$25,548,347</u>	<u>\$25,516,877</u>
<u>EXPENSES (Schedule 20)</u>			
Administration	\$1,280,834	\$1,303,995	\$1,292,428
School Programs	15,417,712	16,020,781	15,425,765
Inclusive Schooling	5,088,193	4,852,443	4,157,313
Distance Learning/Technology	310,000	320,330	311,726
Operations and Maintenance	405,402	185,477	187,676
Aboriginal Language/Cultural Programs	1,543,611	1,841,106	1,601,139
Transfers to DEAs	1,369,208	1,426,407	1,516,921
Total Expenses	<u>\$25,414,960</u>	<u>\$25,950,539</u>	<u>\$24,492,968</u>
Operating Surplus/(Deficit)	<u><u>(\$1,192,295)</u></u>	<u><u>(\$402,192)</u></u>	<u><u>\$1,023,909</u></u>
Accumulated Fund Balance at beginning of year		<u>1,951,865</u>	<u>927,956</u>
Accumulated Fund Balance at end of year		<u><u>\$1,549,673</u></u>	<u><u>\$1,951,865</u></u>

SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF EXPENSES
(Non-Consolidated)
For the Year Ended June 30, 2015

	School Programs	Inclusive Schooling	Distance Learning/Tech	Operations & Maint.	Admin.	Aboriginal Languages	Fiscal & Transfers	Total
Salaries								
Teachers	\$13,052,808	\$1,984,821				\$1,056,072		\$16,093,701
Instruction Assistants		\$1,784,512				\$453,326		\$2,237,837
Non-Instructional Staff	\$1,858,672	\$424,445	\$260,441		\$988,799	\$8,000		\$3,540,356
Board/Trustee Honoraria		\$1,030			\$5,119	-\$350		\$5,800
Employee Benefits								
Employee Benefits/Allowances	\$178,628	\$71,161	\$2,905		\$8,714	\$20,332		\$281,738
Leave & Termination Benefits	\$247,501	\$98,598	\$4,024		\$12,073	\$28,171		\$390,367
Services Purchased/Contracted								
Professional/Technical Services	\$12,040	\$92,220		\$10,000	\$37,503	\$23,158		\$174,922
Postage/Communication		\$83			\$39,534			\$39,618
Utilities								\$0
Travel	\$134,134	\$197,663	\$12,625		\$87,583	\$71,326		\$503,330
Student Travel	\$79,000	\$11,394						\$90,394
Advertising/Printing/Publishing	\$12,718	\$372		\$12,548	\$10,866	\$26,997		\$63,500
Maintenance/Repair					\$12,744			\$12,744
Rentals/Leases	\$375	\$3,800		\$162,929	\$33,172	\$4,000		\$204,276
Contracted Services	\$53,522	\$53,217			\$435	\$38,863		\$146,037
Materials/Supplies/Freight								
Materials	\$341,199	\$128,370	\$40,336		\$65,660	\$56,958		\$632,522
Freight	\$7,686	\$759			\$1,792	\$763		\$11,000
Transfers to DEA's	\$42,500					\$53,491	\$1,426,407	\$1,522,398
Total	\$16,020,782	\$4,852,443	\$320,330	\$185,477	\$1,303,995	\$1,841,106	\$1,426,407	\$25,950,539

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
ABORIGINAL LANGUAGES**

For the Year Ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total 2014/15
Revenues			
Funding Received	\$62,000		\$62,000
Total Funding	\$62,000	\$0	\$62,000
Expenditures			
Materials & Supplies	\$62,009	\$1,927	\$63,936
Wages & Benefit	\$0	\$0	\$0
Total Expenditures	\$62,009	\$1,927	\$63,936
Surplus/(Deficit)	(\$9)	(\$1,927)	(\$1,936)

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
FRENCH LANGUAGE**

For the Year Ended June 30, 2015

	Contributions July 1, 2014 to June 30, 2015	SSDEC Commitment July 1, 2014 to June 30, 2015	Total Expenses July 1, 2014 to June 30, 2015	Under/(Over) Funding
Bilateral Agreement Funding				
Core French 1-12 (salary)	\$193,000	\$234,000	\$520,506	(\$93,506)
Immersion Pioneer Class (salary)	70,000	\$50,000	\$437,994	(\$317,994)
Resources	10,000	\$5,000	\$1,357	\$13,643
Partnership with YK1	15,000		\$15,000	\$0
French Monitor		\$10,000	\$58,215	(\$48,215)
Professional Development		\$5,000	\$7,426	(\$2,426)
Intensive French: Salary	75,000	\$50,000	\$116,089	\$8,911
Intensive French: Camp	800	\$3,200		\$4,000
Intensive French: Resources	1,600	\$6,400	\$1,456	\$6,544
Intensive French: Training/Visits	5,640	\$9,360	\$9,910	\$5,090
Totals	\$371,040	\$372,960	\$1,167,953	(\$423,953)

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
INFRASTRUCTURE**

For the Year Ended June 30, 2015

Personnel Infrastructure

Funding Received	\$243,322
Expenditures	
Applicant Travel	
Advertising	\$12,548
Legal Fees	\$10,000
Removal In/Transfer	\$128,072
Ultimate Removal	\$88,989
Worker's Compensation	\$104,682
Medical Travel Assistance	
Total Expenditures	\$344,291
Net Surplus/(Deficit)	(\$100,969)

Leases Infrastructure

Funding received	\$162,976
Expenditures	
Leases	\$158,650
Leasehold improvements	\$4,279
Total Expenditures	\$162,929
Net Surplus/(Deficit)	\$47

Overall Surplus/(Deficit)	(\$100,922)
----------------------------------	--------------------

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENDITURES
NWT STUDENT SUCCESS INITIATIVE - PROFESSIONAL DEVELOPMENT**

For the Period July 1, 2014 to June 30, 2015

Funding Received		
<u>Expenditures</u>		
<u>Salaries/Wages</u>		
Facilitator's Fees	316,868	
Substitute Teachers Wages	29,073	
<u>Travel</u>		
Facilitator Travel	45,475	
Staff Travel	17,055	
Accommodation	19,713	
Per Diems	12,394	
<u>Workshop Expenses</u>		
Room Rental		
Tuition		
Refreshments	2,335	
Resources	13,003	
Miscellaneous	17,375	
Total Expenses	473,290	
Net Surplus/(Deficit)	(473,290)	

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
 SCHEDULE OF SPECIFIC PROGRAM EXPENDSES
 NWT STUDENT SUCCESS INITIATIVE**

For the Period July 1, 2014 to June 30, 2015

Funding Received	55,000
<u>Expenditures</u>	
<u>Salaries/Wages</u>	
Salaries	959,851
Facilitator's Fees	
Substitute Teachers Wages	
<u>Travel</u>	
Facilitator Travel	
Staff Travel	
Accommodation	
Per Diems	
<u>Workshop Expenses</u>	
Room Rental	
Tuition	
Refreshments	
Resources	31,597
Miscellaneous	
Total Expenses	991,448
Net Surplus/(Deficit)	(936,448)

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
INCLUSIVE SCHOOLING**

For the Year Ended June 30, 2015

	Staff Development	Intervention Strategies	Assistive Technology	Student Resources	Southern Placements	Magnet Facilities	General	Total
Salaries								
Program Support Teachers						137,088	1,856,222	1,993,310
Consultants		321,866						321,866
Instruction Assistants						90,274	1,788,926	1,879,200
Non-Instructional Staff							27,582	27,582
Honoraria							1,030	1,030
Employee Benefits								
Employee Benefits/Allowances *							169,759	169,759
Services Purchased/Contracted								
Professional/Technical Services		92,220						92,220
Travel	197,663							197,663
Student Travel (Bussing)							11,394	11,394
Advertising/Printing/Publishing							372	372
Maintenance/Repair								-
Rentals/Leases	3,800						1,945	5,745
Contracted Services							82,244	82,244
Materials/Supplies/Freight								
Materials	2,299		10,555				145,146	158,000
Freight			759				500	1,259
Total	203,762	414,086	11,315	\$0	\$0	227,362	4,085,120	4,941,645

**SOUTH SLAVE DIVISIONAL EDUCATION COUNCIL
SCHEDULE OF SPECIFIC PROGRAM EXPENSES
ABORIGINAL LANGUAGE AND CULTURE-BASED EDUCATION**

For the Year Ended June 30, 2015

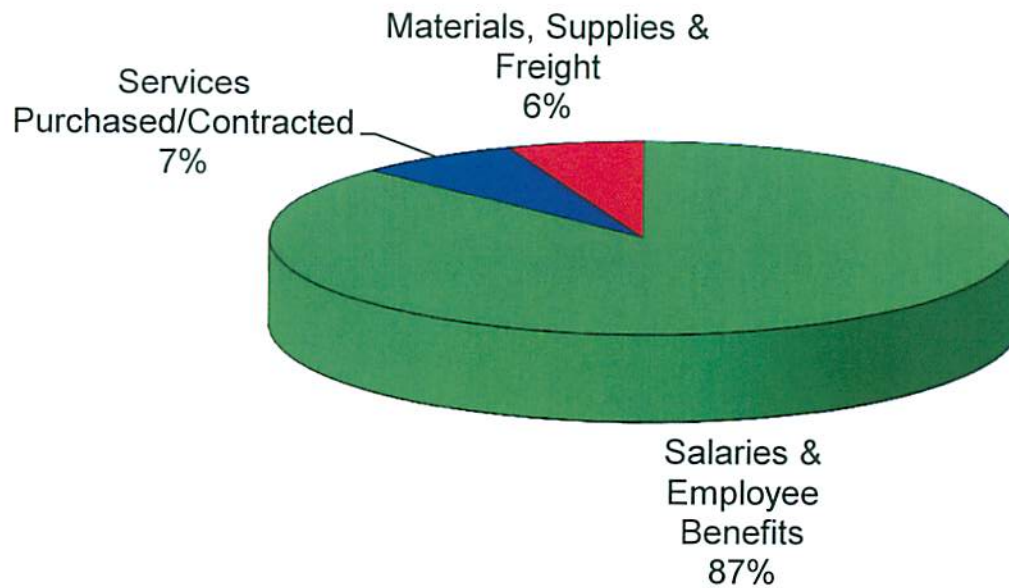
	Student Instruction	Teaching Resources	Professional Development	School Activities	Total
Salaries					
ALCBE Teachers	\$1,064,072				\$1,064,072
Language Consultants					\$0
Instruction Assistants	\$453,326			\$22,080	\$475,406
Non-Instructional Staff					\$0
Honoraria	\$53,141			\$2,277	\$55,418
Employee Benefits					
Employee Benefits/Allowances *	\$48,503				\$48,503
Services Purchased/Contracted					
Professional/Technical Services		\$23,158			\$23,158
Travel			\$71,326	\$4,020	\$75,346
Student Transportation (Bussing)				\$1,820	\$1,820
Advertising/Printing/Publishing		\$26,997			\$26,997
Maintenance/Repair					\$0
Rentals/Leases		\$4,000		\$5,845	\$9,845
Contracted Services		\$38,863		\$76,718	\$115,581
Materials/Supplies/Freight					
Materials		\$50,422	\$6,536	\$220,434	\$277,392
Freight		\$763		\$1,018	\$1,781
Total	\$1,619,042	\$144,203	\$77,861	\$334,212	\$2,175,318

South Slave Divisional Education Council
2014/15 Fund Balances
(Unaudited)

	<u>SSDEC</u>	<u>Fort Smith</u>	<u>Hay River</u>	<u>K'atlo'deeche</u>	<u>Fort Resolution</u>	<u>Lutsel K'e</u>
Fund Balances as per audited Financial Statements	1,549,673	121,115	370,899	7,358	186,996	(6,410)
less: Staffing Surpluses						
- Lutsel K'e Dene School	49,308					
- Paul William Kaeser	90,818					
- Harry Camsell	79,695					
- Joseph Burr Tyrrell	84,888					
- Chief Sunrise	93,625					
- Princess Alexandra	117,960					
- Diamond Jenness Secondary School	222,841					
- Deninu School	105,031					
	(844,166)					
Commitments against surpluses						
- Council Office	-					
- K'atlo'deeche DEA plan				(13,502)		
- Fort Resolution DEA plan					(178,624)	
- Hay River DEA plan			(315,185)			
- Fort Smith plan		(69,416)				
Uncommitted Fund Balance	<u>705,507</u>	<u>51,699</u>	<u>55,714</u>	<u>(6,144)</u>	<u>8,372</u>	<u>(6,410)</u>
2015/16 contributions from SSDEC		<u>505,991</u>	<u>557,141</u>	<u>44,204</u>	<u>83,724</u>	<u>60,102</u>
Fund Balance percentage *		<u>10.22%</u>	<u>10.00%</u>	<u>-13.90%</u>	<u>10.00%</u>	<u>-10.67%</u>

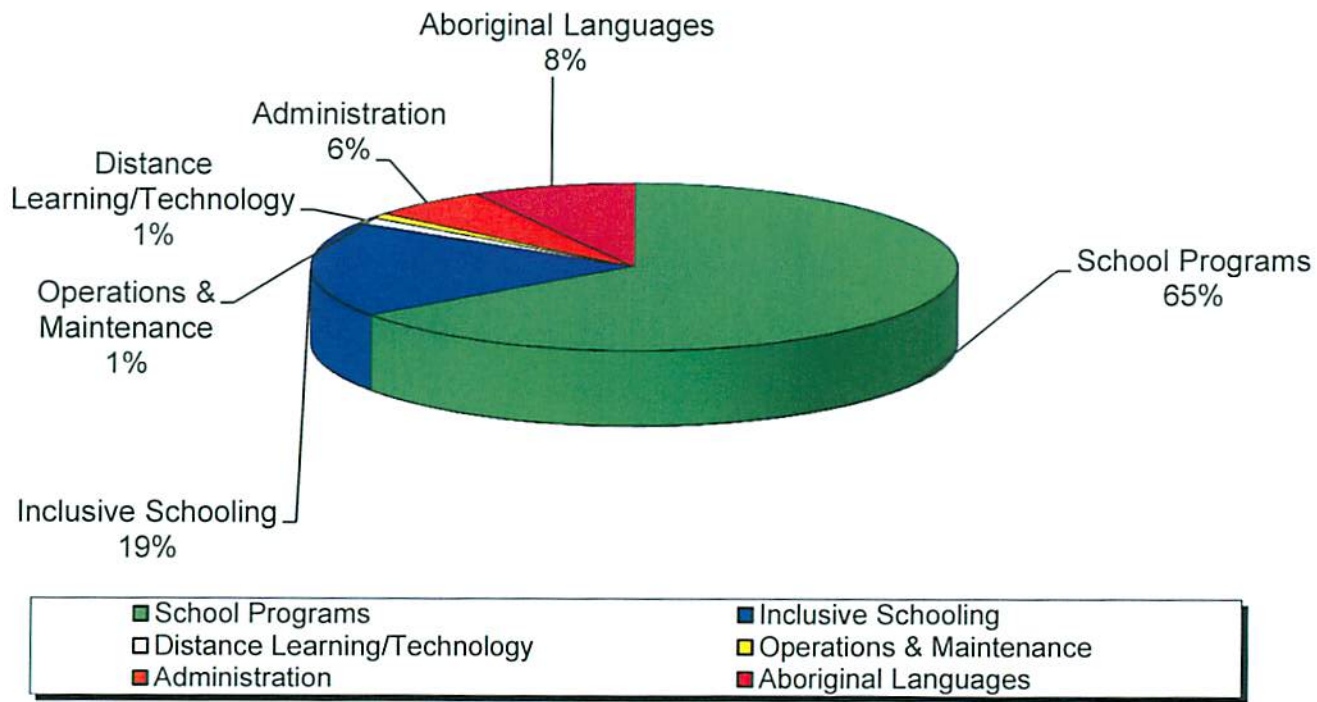
* Calculated as per SSDEC policy DFAA - Financial Surplus

**South Slave Divisional Education Council
Details of Expenditures
For the Year Ended June 30, 2015**



■ Salaries & Employee Benefits ■ Services Purchased/Contracted ■ Materials, Supplies & Freight

**South Slave Divisional Education Council
Expenditures by Function
For the Year Ended June 30, 2015**



**Yellowknife Catholic Schools
(Yellowknife Public Denominational
District Education Authority)**

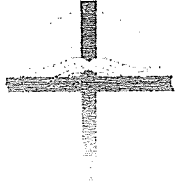
Annual Financial Report

June 30, 2015

Yellowknife Catholic Schools
(Yellowknife Public Denominational District
Education Authority)

Annual Financial Report

June 30, 2015



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, 2015 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.

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.

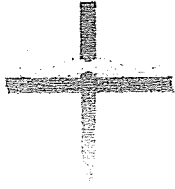
We believe that we are a Catholic, Christ-centered community that strives to nurture the spiritual, intellectual, emotional, social, and physical development of all learners.

Board of Trustees

There are seven trustees at Yellowknife Catholic Schools. Mr. Simon Taylor is the Chair and Mr. Miles Welsh is the Vice-Chair. Other trustees are Francis Chang, Erin Currie, John Dalton, Amy Simpson, and Steven Voytilla.

There are two committees in place – Finance and Facilities.

Trustee meetings are held each month and are open to the public.



Yellowknife Catholic Schools

Yellowknife Catholic Schools

Yellowknife Catholic Schools (YCS) was established in July of 1951 and is the only Catholic school board in the Northwest Territories. YCS' primary operation is the education of students from pre-Kindergarten to Grade 12.

YCS programs operate out of: Ecole St. Patrick High School (ESPHS), Weledah Catholic School (WCS), Ecole 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.

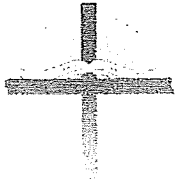
The senior administration team consists of Claudia Parker – Superintendent; John Bowden – Assistant Superintendent – Learning; and Janet Toner – Assistant Superintendent – Business.

The principal at Ecole St. Patrick High School is Coleen McDonald. The principal at Weledah Catholic School for the 2014/2015 school year was Simone Gessler. The principal at Ecole St Joseph School is Gillian Dawes-Taylor.

Student and Teacher Population

The following chart shows student enrolment and the teachers that were employed as of June 30, 2015.

	Enrolment	Teachers	Pupil/Teacher Ratio
Ecole St Patrick High School	401	29	14
Weledah Catholic School	399	28	14
Ecole St Joseph School	526	34	15
KCTC	0	5	0
District	0	5	0
TTC	0	1	0
	<u>1,326</u>	<u>102</u>	<u>43</u>



Yellowknife Catholic Schools

Operating Environment

The trustees and management have developed a strategic plan that outlines the goals of Yellowknife Catholic Schools.

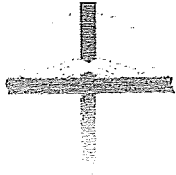
Below is a summary of the strategic plan.

STRATEGIC PRIORITY #1 – CATHOLIC IDENTITY

"YCS is a Catholic, Christ-centered community that nurtures the spiritual growth of all learners."

Key Goals:

- To promote and support knowledge of the Catholic faith.
- To promote and support understanding of the liturgy and sacraments.
- To promote and support Catholic moral formation.
- To promote and support prayer.
- To promote and support discipleship.
- To promote and support a Christian lifestyle.



Yellowknife Catholic Schools

STRATEGIC PRIORITY #2 – STUDENT LEARNING

“YCS will provide a range of meaningful educational experiences and opportunities to challenge each student to achieve academic and individual excellence.”

Overall Student Learning / Literacy / Numeracy

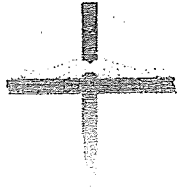
Key Goals:

- To demonstrate continuous and measurable improvement in literacy and numeracy for all students as measured by appropriate assessment tools identified by the district.
- To use current and relevant assessment data in developing and following through upon School Improvement Plans that address specific areas requiring improvement in reading, writing, and mathematics.
- To increase professional knowledge, skills, and practice in teaching literacy and numeracy.
- To support literacy for learning in all areas of the curriculum.

Inclusionary Schooling

Key Goals:

- To strengthen inclusive education and ensure equitable access for all learners.
- To support evidence-based informed decision making that embraces and values diversity.
- To ensure professional development of staff to assist them in valuing and responding to student diversity.
- To reduce barriers to participation and learning so that each student has a sense of belonging and is a successful learner.



Yellowknife Catholic Schools

French Programming

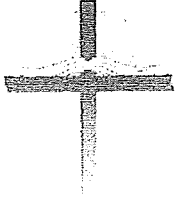
Key Goals:

- To establish, and support the “Common European Framework of Reference for Languages: Learning, Teaching, Assessment”: a guideline used to describe achievements of learners of a second language.
- To support a task based language teaching (TBLT) approach and authentic real life situations across the curriculum.
- To make French a living language and to promote authentic French culture in the school district.
- To implement and support international language proficiency accreditation for our Core French and French Immersion programs (DELF).

Technology in the Classroom

Key Goals:

- To provide students opportunities to develop the competencies needed to use current and emerging technologies effectively, both in school and in life.
- To provide educators the supports needed to use technology to empower the learning process, and to connect with each other, parents and communities.



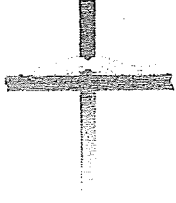
Yellowknife Catholic Schools

STRATEGIC PRIORITY #3 – ABORIGINAL STUDENT ACHIEVEMENT

"To provide a variety of educational experiences and opportunities that honor the contributions of Aboriginal knowledge, traditions, and values in order for Aboriginal students to contribute to the community at large."

Key Goals:

- To meet the needs of Aboriginal students by maintaining and expanding upon the aims of the DoEdaezhe program.
- To promote cultural education in order to increase the academic and social success of Aboriginal students.
- To use the teachings of elders across the curriculum as valid ways of knowing and understanding.
- To identify and address systemic, cultural, and historical barriers that impact full participation in school life.
- To build relationships within our schools that are welcoming and supportive of Aboriginal children, their families, and the Aboriginal community.
- To increase Aboriginal student attendance rates.
- To increase the number of Aboriginal students successfully completing courses.



Yellowknife Catholic Schools

Financial Condition

The audited consolidated financial statements were prepared for the Government of the Northwest Territories (GNWT) Minister of Education, Culture and Employment (ECE), in accordance with Canadian public sector accounting standards.

Highlights of YCS' Financial Position

Financial Assets

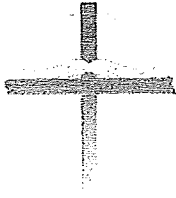
Cash balance is approximately \$6,198,000 indicating good cash flow. The reason for the increase in the cash position from the prior year is that there is a repayable to the GNWT for insurance proceeds from the fire that occurred at ESJS in August 2006. The accounts receivable mainly consists of GST receivable and outstanding funding from ECE.

Liabilities

Deferred revenue for 2015 consists primarily of funding for the next fiscal period. The decrease from the prior year is due to the timing of the quarterly payment of property tax from the City of Yellowknife. We customarily receive this payment on the first of June and recognize it as revenue in the following year. In the current year, the payment was received in July

YCS issued debentures for the construction of Weledeh Catholic School and for the purchase of the Tallah Building. Future streams of revenue (rental revenue for the Tallah building and GNWT Core funding for the Weledeh debenture) will more than cover the net financial debt. During 2014/2015 YCS made \$779,641 in principal repayments on its debentures.

The Consolidated Statement of Financial Position has a subtotal called "Net Debt". This line is an indicator of the ability to discharge all of the entity's debt with financial assets.



Yellowknife Catholic Schools

Non-financial Assets

Non-financial assets include land and buildings that YCS has no intention of selling and that would not be able to be quickly converted to cash.

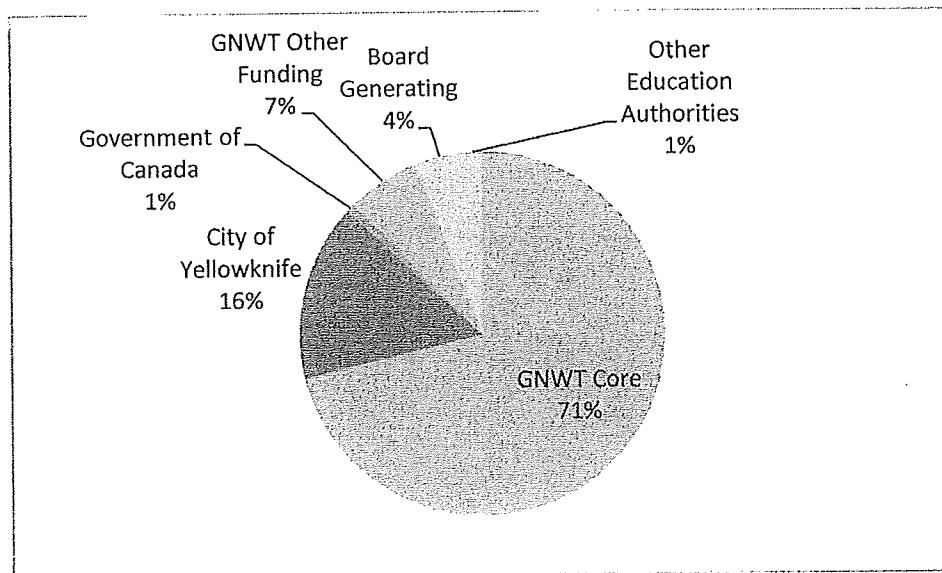
The \$1,547,495 decrease in tangible capital assets relates to depreciation of tangible capital assets for this fiscal year partially offset by the purchase of the new roof at the Tallah building.

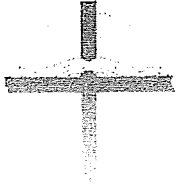
Accumulated Surplus

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 65 years. The largest component of accumulated surplus is the Investment in Tangible Capital Assets. A further breakdown of accumulated surplus can be found on the Consolidated Statement of Accumulated Surplus.

Highlights of YCS Operations

Operating Revenue





Yellowknife Catholic Schools

Operating Revenue

The majority of the funding for YCS comes from the Government of the Northwest Territories (GNWT) Department of Education, Culture and Employment (ECE) as core funding. The core funding is derived from a funding formula developed by ECE. The most important factor in the funding formula is student enrollment. GNWT core funding also includes \$860,000 paid to YCS each year to cover principal and interest payments on a debenture issued by YCS to fund the construction of Weledeh Catholic School.

YCS generates revenue from property taxes. The City of Yellowknife collects property tax revenue on YCS' behalf.

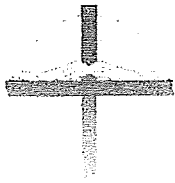
Yellowknife Catholic Schools has a contract with the Government of Canada for the Yellowknife Family Centre.

Other GNWT funding includes contribution agreement funding for: French language programs, the Four Plus program, Yellowknife Family Centre, preschool programs, active after-school programs, and for the development of materials for aboriginal languages.

Board generated funds include donations, bus pass sales, day care fees, investment revenue, and rental revenue.

YCS generates revenue from other school districts when a student from that district attends a YCS school. The other district then receives GNWT core funding for that student.

YCS is economically dependent upon the GNWT for the majority of its operating revenue. Significant changes to enrollment in Yellowknife or to the GNWT funding formula would have dramatic effects on the future operations of YCS.

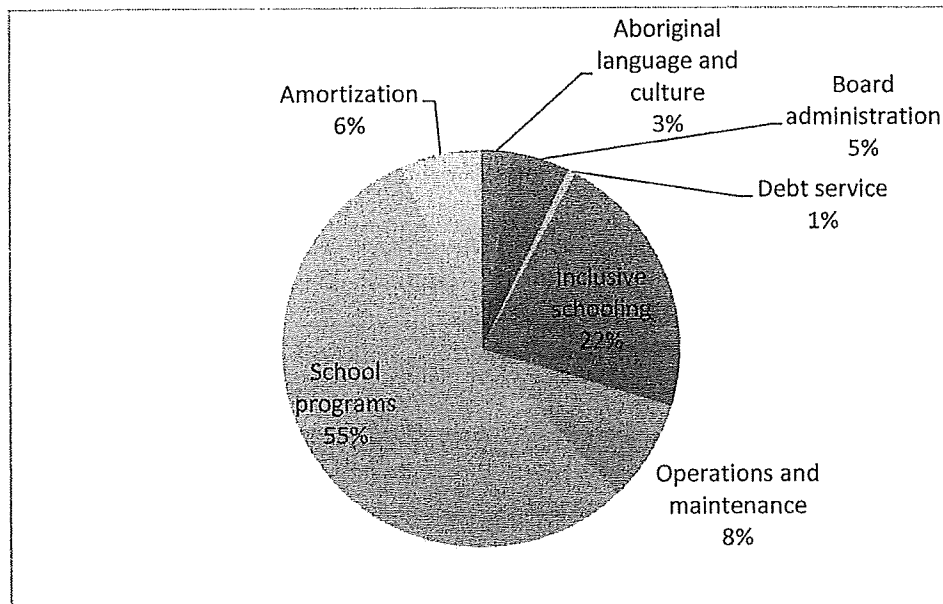


Yellowknife Catholic Schools

Operating Expenditures

The Consolidated Statement of Operations and Schedule 1 provide two different ways to classify expenditures. In the Consolidated Statement of Operations, expenditures are classified by program. Schedule 1 of the consolidated financial statements provides an additional breakdown by object.

Expenditures – By Program



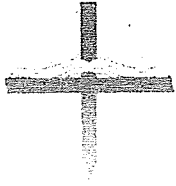


Yellowknife Catholic Schools

Expenditures – By Program

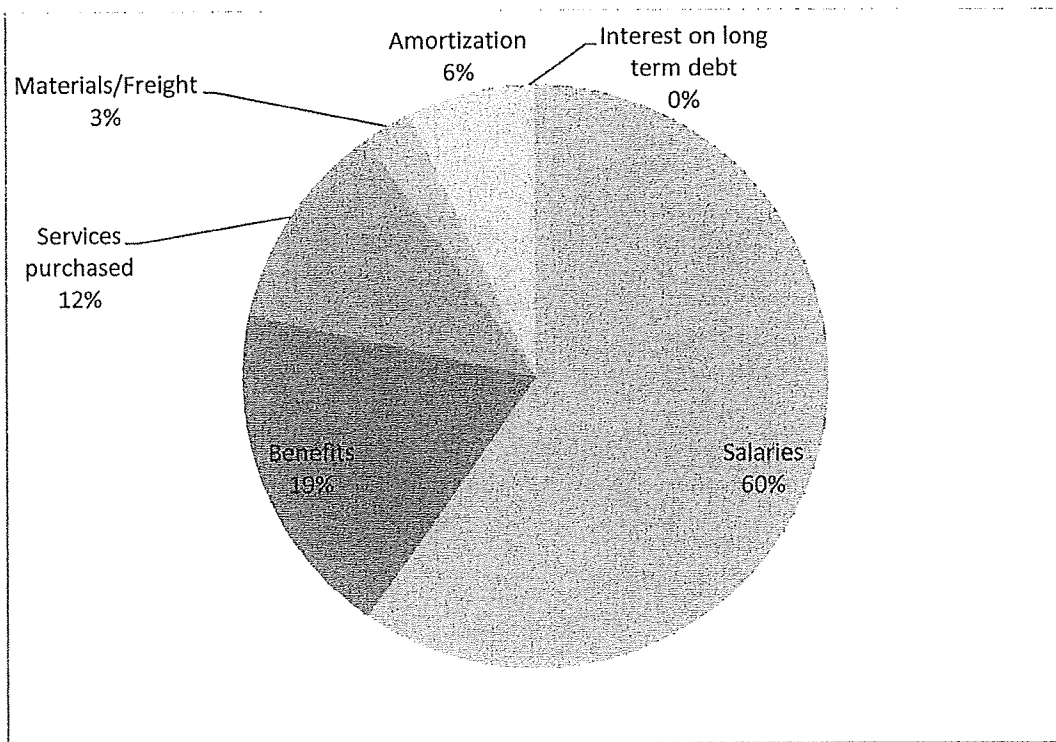
Program categories for YCS are:

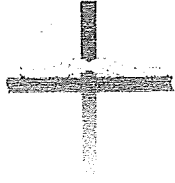
- **Aboriginal Language and Culture:** Includes salary and benefits of Dogrib Language instructors, salary and benefits of the literacy coach, costs related to the creation of learning materials in the Dogrib language, and the cost of running our aboriginal language and culture camps.
- **Board Administration:** Includes salary and benefits for central services administrative 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 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:** 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, advanced placement teachers, and Do Edaeze program staff are included in this category.
- **Operations and maintenance:** 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:** 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, technology staff and curriculum coordinators, the cost for school textbooks and supplies, and the cost of busing services. The cost of ever-greening computers is also included in this category.
- **Amortization:** This expense relates to the rational and systematic manner to write off the value of tangible capital assets over an appropriate number of accounting periods.



Yellowknife Catholic Schools

Expenditures by Object

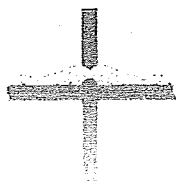




Yellowknife Catholic Schools

Expenditures by Object

- **Salaries:** Includes salary for teachers, coordinators, classroom assistants, maintenance staff, administration assistants, library technicians, counselors, technology staff, administrative staff, and trustee honoraria. The majority of YCS staff are unionized and collective agreements with the unions specify pay and benefits for these staff. Collective agreements with the Northwest Territories Teachers' Association (NWTTA) and the Union of North Workers (UNW) were ratified during the 2012/2013 fiscal year. The biggest change to these agreements is the implementation of a defined benefit pension plan. Non-unionized staff pay and benefits are specified under individual employment contracts. The contracts expire in 2016.
- **Employee benefits:** 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:** Include busing, janitorial services, insurance services, security services, and snow removal.
- **Materials/freight:** Includes expenses for material and freight of goods.
- **Amortization:** This expense relates to the rational and systematic manner to write off the value of tangible capital assets over an appropriate number of accounting periods.
- **Debenture interest:** Includes interest expense paid during the year for the Weledeh and Tallah building debentures.



Yellowknife Catholic Schools

Summary of Accumulated Surplus

	Opening	Increase (Decrease)	Closing
Operating Fund Surplus	\$ 981,347	\$ 201,927	\$ 1,183,274
Investment in Tangible Capital Assets	43,233,924	(767,854)	42,466,070
Decentralized Budget Accumulated Surplus	383,536	(169,234)	214,302
	<u>\$ 44,598,807</u>	<u>\$ (735,161)</u>	<u>\$ 43,863,646</u>

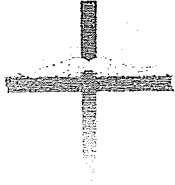
At the end of the year, there was a surplus of \$988,486 before the amortization expense. After the amortization expense, there was an operating deficit of \$735,161. The operating surplus equity increased by \$201,927.

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 in the current year is due to amortization of our tangible capital assets offset by the principal portion of the repayment of debentures on WCS and the Tallah Building and offset by the purchase of a new roof at the Tallah building.

The decentralized budget accumulated surplus consists of funds which are committed to or designated to specific purposes. The majority of these funds are professional development obligations carried forward under the terms of employment contracts. Other significant amounts in the decentralized budget accumulated surplus are school-based funds. Decisions on expenditure of school based funds are made by individual schools under YCS' School Based Decision Making Procedure.

The bottom line:

YCS had a small operating fund deficit for the year and has a strong cash position that will allow us to continue to operate in a financially prudent manner in the future. We will continue to be challenged to provide quality education in a fiscally responsible manner.



Yellowknife Catholic Schools

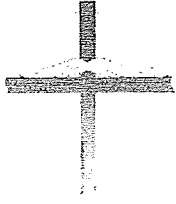
Budget

In 2014/2105, an annual deficit of \$787,679 was budgeted. The actual annual deficit was \$735,161. The difference is insignificant.

The budgeted revenue for the year was \$24,681,961 compared to the actual of \$25,645,970. The increase in revenue of \$964,009 is due to increased core and other contributions of approximately \$500,000 from the Government of the Northwest Territories – Department of Education, Culture and Employment. There was also an increase in education authority generated funds due to funds from a staff secondment and other sources of income.

The budgeted expenditures for the year were \$25,469,640 and the actual expenditures were \$26,381,131. The difference is \$911,491. The difference is mainly additional costs for school programs and the way that amortization and interest is shown in the budget. We budgeted \$980,000 for debt service and the actual interest and amortization was \$1,880,199.

The overall difference between the budget and the actual is only \$52,000.



Yellowknife Catholic Schools

Summary and Outlook

As our population is growing, we are challenged by our space needs. As a solution for the 2015/2016 year, we have moved our grade 8 students from Ecole St Joseph School and Weledeh Catholic School to our high school. Our grade 8 students are excited to join the students at the high school and become part of the Irish team at Ecole St. Patrick High School. The grade 8 students will join the high school and Yellowknifers should see lots of Irish jerseys being worn around town.

We continue to struggle with the special needs requirements in the classroom. Under the 2015/2016 budget we added one more classroom assistant position.

In the budget for 2015/2016, the Trustees showed commitment to supporting all the present programs and positions at Yellowknife Catholic Schools. The Trustees and administration will continue to work together to provide the best education while being fiscally responsible.

We are working on a five year capital plan that will outline the capital purchases for the next five years. Many of the projects will save operational costs as we look at providing more energy efficient items in our schools.

In the 2015/2016 school year, we welcome two new principals. Ms. Liz Baile will become the new principal at Weledeh Catholic School. Ms. Baile was the Assistant Principal at Weledeh Catholic School. She replaces Ms. Simone Gessler who has moved to the District Office to become the new Associate Assistant Superintendent. Ms. Jenny Reid will become the Assistant Principal at Weledeh Catholic School.

We also welcome Mr. Pat Sullivan at Ecole St Joseph School as the new principal and Mr. Tony Florio as the Assistant Principal at Ecole St Joseph School. The previous principal, Ms. Gillian Dawes-Taylor, is on a deferred leave for the year.

**Yellowknife Catholic Schools
(Yellowknife Public Denominational
District Education Authority)**

Consolidated Financial Statements

June 30, 2015

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,
2015**

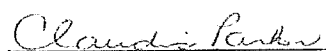
The Management Discussion and Analysis, Consolidated Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of Yellowknife Catholic Schools (YCS) in all material respects 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 Body. The operations and administration of the Education Body as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the *Education Act*, *Financial Administration Act*, CPSAS, FAM, FAMEA, Human Resources Manual, Ministerial Directives and the policies of the Education Body Board. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

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

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

Approved and confirmed on behalf of the Yellowknife Catholic Schools.

 **Superintendent**

 **Assistant Superintendent - Business**

September 9, 2015



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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 Yellowknife Public Denominational District Education Authority ("Yellowknife Catholic Schools"), which comprises the consolidated statement of financial position as at June 30, 2015, and the consolidated statement of changes in net debt, the consolidated statement of operations, the consolidated statement of cash flows and the consolidated statement of accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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



Independent Auditors' Report (continued)

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yellowknife Catholic Schools as at June 30, 2015 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

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

Yellowknife, Northwest Territories
September 9, 2015

Crowe MacKay LLP

Chartered Accountants

Yellowknife Catholic Schools
 (Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Financial Position

As at June 30,	2015	2014
Financial Assets		
Cash and cash equivalents (Note 5)	\$ 6,198,619	\$ 5,132,062
Due from the Government of Canada (Note 14)	142,583	598,243
Accounts receivable (Note 9)	105,744	574,704
	6,446,946	6,305,009
Liabilities		
Accounts payable and accrued liabilities (Note 11)	1,401,749	696,415
Payroll benefits payable	564,965	487,265
Due to the Government of Canada (Note 14)	5,860	7,722
Pensions (Note 16)	26,400	14,100
Long term debt (Note 17)	3,189,515	3,969,156
Deferred revenue (Note 12)	126,383	946,465
Post-employment benefits (Note 18)	640,074	646,311
Accrued payroll liabilities (Note 36)	2,347,959	2,265,460
	8,302,905	9,032,894
Net debt	(1,855,959)	(2,727,885)
Non-financial Assets		
Tangible capital assets (Note 20)	45,655,583	47,203,078
Prepaid expenses and deposits (Note 21)	64,022	123,614
	45,719,605	47,326,692
Accumulated Surplus	\$ 43,863,646	\$ 44,598,807
Represented By:		
Operating fund surplus	\$ 1,183,276	\$ 981,347
Investment in tangible capital assets	42,466,068	43,233,924
Decentralized budget accumulated surplus	214,302	383,536
	\$ 43,863,646	\$ 44,598,807

Contractual obligations and contingencies (Note 25 and 26)

Approved on behalf of the Board

M Welsh Trustee

Amy Johnston Trustee

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Changes in Net Debt

For the period ended June 30,	2015	2014
Annual deficit	\$ (735,161)	\$ (1,263,865)
Change in prepaid expenses and deposits	59,592	(67,416)
Change in tangible capital assets	1,547,495	1,617,411
Decrease in net debt	871,926	286,130
Net debt, beginning of year	(2,727,885)	(3,014,015)
Net debt, end of year	\$ (1,855,959)	\$ (2,727,885)

Yellowknife Catholic Schools
 (Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Operations

For the period ended June 30,	2015 Budget	2015 Actual	2014 Actual
Revenue			
Government of the Northwest Territories			
Operating grant	\$ 18,078,954	\$ 18,278,896	\$ 17,853,544
ECE - Other contributions (Note 34)	1,254,566	1,555,421	820,884
GNWT - Other contributions (Note 35)	21,900	117,556	125,151
	19,355,420	19,951,873	18,799,579
Government of Canada - grants and contributions	182,000	189,909	1,565,512
City of Yellowknife - property tax requisitioned	4,013,000	4,013,000	3,761,917
Other Education Authorities			
Extra-jurisdictional tuition	395,500	346,976	238,667
Joint venture funding	23,000	30,000	24,149
	418,500	376,976	262,816
Education authority generated funds (Note 38)	713,041	1,114,212	888,478
	24,681,961	25,645,970	25,278,302
Expenditures			
Aboriginal language and culture	662,662	682,232	729,020
Board administration (Schedule 1)	1,222,776	1,228,297	1,179,507
Debt service (Schedule 1)	980,000	156,552	195,200
Inclusive schooling (Schedule 2)	5,884,126	5,777,016	6,287,811
Operations and maintenance (Schedule 1)	2,354,635	2,201,821	2,287,754
School programs (Schedule 1)	14,365,441	14,611,566	14,153,214
Amortization (Schedule 1)	-	1,723,647	1,709,661
	25,469,640	26,381,131	26,542,167
Annual deficit	\$ (787,679)	\$ (735,161)	\$ (1,263,865)

Yellowknife Catholic Schools
 (Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Cash Flows

For the period ended June 30,	2015	2014
Cash provided by (used in):		
Operating transactions		
Operating deficit	\$ (735,161)	\$ (1,263,865)
Items not affecting cash:		
Amortization	1,723,647	1,709,661
	988,486	445,796
Changes in non-cash working capital items		
Due from the Government of Canada	455,660	8,225
Accounts receivable	468,960	16,491
Accounts payable	705,334	(102,818)
Payroll benefits payable	77,700	33,582
Due to the Government of Canada	(1,862)	-
Pensions	12,300	13,400
Deferred revenue	(820,082)	(43,970)
Post employment benefits	(6,237)	1,936
Accrued payroll liabilities	82,499	(160,688)
Prepaid expenses	59,592	(67,416)
	1,033,864	(301,258)
Cash flow from financing activities		
Repayment of long term debt	(779,641)	(740,993)
Cash flow from capital activity		
Purchase of tangible capital asset	(176,152)	(92,250)
Increase (decrease) in cash	1,066,557	(688,705)
Cash, beginning of year	5,132,062	5,820,767
Cash, end of year	\$ 6,198,619	\$ 5,132,062

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Consolidated Statement of Accumulated Surplus

For the period ended June 30,	2015	2014
Operating Fund Surplus		
Operating fund surplus, beginning of year	\$ 981,349	\$ 1,315,136
Annual deficit	(735,161)	(1,263,865)
Transfer from investment in tangible capital assets	767,854	876,418
Transfer from (to) decentralized budget accumulated surplus	169,234	53,658
Operating fund surplus, end of year	\$ 1,183,276	\$ 981,347
Transfer from Investment in Tangible Capital Assets consists of:		
Amortization	\$ 1,723,647	\$ 1,709,661
Capital acquisitions	(176,152)	(92,250)
Debenture principal repayment	(779,641)	(740,993)
	\$ 767,854	\$ 876,418
Investment in Tangible Capital Assets		
Investment in tangible capital assets, beginning of year	\$ 43,233,922	\$ 44,110,342
Amortization	(1,723,647)	(1,709,661)
Capital acquisitions	176,152	92,250
Debenture principal repayment	779,641	740,993
Investment in tangible capital assets, end of year	\$ 42,466,068	\$ 43,233,924
Decentralized Budget Accumulated Surplus		
Decentralized budget accumulated surplus, beginning of year	\$ 383,536	\$ 437,194
Transferred from (to) operating fund surplus	(169,234)	(53,658)
Decentralized budget accumulated surplus, end of year	\$ 214,302	\$ 383,536
Total Accumulated Surplus	\$ 43,863,646	\$ 44,598,807

Yellowknife Catholic Schools

(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

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.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

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

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

This category includes cash, accounts receivable, due to/from the Government of Canada, accounts payable and accrued liabilities, long term debt, payroll benefits payable and accrued payroll liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

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

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

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(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 YCS unless they are sold.

(e) Tangible Capital Assets

Tangible capital assets acquired for more than \$50,000 are capitalized and amortized. Tangible capital assets are recorded at cost plus any betterments less accumulated amortization. The cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The buildings, portables and equipment will be amortized using the straight line method, based on their useful life. The buildings, portables and equipment have useful lives of 40, 25 and 10 years respectively. Any additions to the buildings and portables will be amortized over the remaining useful life of the assets.

(f) Revenue Recognition

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.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

2. Significant Accounting Policies (continued)

(f) Revenue Recognition (continued)

GNWT - Regular Contributions

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

The YCS is economically dependent on the GNWT to provide funding for continued operations.

Local Tax Revenue

The *Education Act*, by virtue of Section 136(2), empowers a Board of Education to determine the amount, after taking into consideration territorial grants and other revenue, that is to be requisitioned from the municipality within the territory under the jurisdiction of the Board. This requisitioned amount is one portion of the property tax paid annually by property owners.

The City of Yellowknife is advised subsequent to the adoption of the budget of the amount of the requisition of the YCS and is responsible for the collection of taxes.

Section 136(4) of the *Education Act* requires the amount requisitioned to be paid to the YCS in equal quarterly installments on or before the first day of the months of June, September, December and March.

Other Contributions

YCS follows the deferral method of accounting for contributions from funding arrangements. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount can be reasonably estimated and its collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Tuition fees revenue is recognized as educational services are provided. Insurance proceeds relating to ongoing expenses are recognized as the expenses are incurred. Insurance proceeds relating to building and equipment loss are recognized at the date of loss.

Deferred Revenue

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

Special Purpose Funds

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

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

2. Accounting Policies (continued)

(g) Infrastructure Funding

YCS does not have any infrastructure funding.

(h) Budget Data

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

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

The budget is legally adopted by a motion of the Board which also establishes a tax levy to support the approved budget in accordance with Section 135(2) 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.

(i) 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.

(j) Inventories Including Materials and Supplies

Inventories held for consumption or use are recorded at the lower of historical cost and replacement cost.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

2. Accounting Policies (continued)

(k) 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.

(l) Employee Future Benefits

i) Post employment benefits

YCS provides post employment benefits for certain employees pursuant to certain contracts and collective agreements.

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) 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.

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

2. Accounting Policies (continued)

(m) 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.

(n) 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.

(o) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exists; contamination exceeds the environmental standard; YCS is directly responsible or accepts responsibility and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at June 30, 2015.

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 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.

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3. Change in Accounting Policy

Effective April 1, 2014, YCS adopted Section PS 3260, *Liability for Contaminated Sites* issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organization's reporting under Canadian public sector accounting standards about how to account for and report a liability which is associated with the remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the YCS's liabilities but has resulted in additional disclosure.

4. Future Accounting Changes

Related Party Disclosures, Section PS 2200

In December of 2014, PSAB approved Section PS 2200, Related Party Disclosures. The new 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 effective date for Section PS 2200 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Inter-entity Transactions, Section PS 3420

In December of 2014, 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. This section may be applied in conjunction with Related Party Disclosures, Section 2200. The effective date for Section PS 3420 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has been reviewed by management.

Student Activity Funds

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

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

5. Cash and Cash Equivalents

	2015	2014
Cash	\$ 6,198,619	\$ 5,132,062

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.

6. Special Purpose Funds

YCS does not have special purpose funds.

7. Restricted Assets

YCS does not have any restricted assets.

8. Portfolio Investments

YCS does not have any portfolio investments.

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

9. Accounts Receivable

	Accounts Receivable	AFDA	Net 2015	Net 2014
Government of the Northwest Territories - Departments/Agencies				
Aurora College	\$ 2,985	\$ -	\$ 2,985	\$ -
Education, Culture and Employment	72,000	-	72,000	75,934
Finance	-	-	-	1,954
Health and Social Services	-	-	-	2,246
Yellowknife Health and Social Services	15,332	-	15,332	-
	<u>90,317</u>	<u>-</u>	<u>90,317</u>	<u>80,134</u>
Other				
Insurance proceeds	-	-	-	449,210
Other	15,427	-	15,427	45,360
	<u>15,427</u>	<u>-</u>	<u>15,427</u>	<u>494,570</u>
Total	\$ 105,744	\$ -	\$ 105,744	\$ 574,704

10. Inventories

Inventories held for consumption or use are recorded at the lower of historical cost and replacement cost.

11. Accounts Payable and Accrued Liabilities

	2015	2014
Accrued interest	\$ 68,016	\$ 68,017
Damage deposits	5,426	3,624
GNWT - Department of Education, Culture and Employment	1,166,199	290,929
Trades payable	157,370	327,067
Workers' Safety and Compensation Commission	4,738	6,778
	<u>\$ 1,401,749</u>	<u>\$ 696,415</u>

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

12. Deferred Revenue

	2015	2014
Government of the Northwest Territories Aboriginal Language	\$ 59,000	\$ -
City of Yellowknife - Tax Revenue	-	940,915
Government of Canada - Public Health Agency Canada	67,383	-
Other	-	5,550
	\$ 126,383	\$ 946,465

13. Contribution Repayable

YCS does not have any contribution repayable.

14. Due from and to the Government of Canada

	Accounts Receivable	AFDA	Net 2015	Net 2014
Receivable				
Aboriginal Affairs and Northern Development	\$ 19,000	\$ -	\$ 19,000	\$ 467,423
GST receivable	123,583	-	123,583	130,820
	\$ 142,583	\$ -	\$ 142,583	\$ 598,243
Payable				
GST payable	\$ 5,860	\$ -	\$ 5,860	\$ 7,722

15. Capital Lease Obligations

YCS does not have any capital lease obligations.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

16. 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, 2015.

Effective May 1, 2013 teaching and non-union staff could no longer contribute to the DC provision. Instead all indeterminate teaching and non-unionized staff joined a new Defined Benefit (DB) provision of the Plan. Effective July 1, 2013, all indeterminate unionized non-teaching staff also ceased to make contributions to the DC provision and joined the DB provision of the Plan. After July 1, 2013, there are no employees making contributions to the DC provision.

DC assets of the Plan will continue to be held in Trust for the individual employees unless they either elect to transfer their DC account to the DB provision or leave the employment of Yellowknife Catholic Schools.

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

(b) Defined Benefit Plan

Effective May 1, 2013 a Defined Benefit (DB) provision was added to the Pension Plan for the Employees of Yellowknife Catholic Schools.

Summary of Defined Benefit provision:

Each permanent full-time employee, belonging to an eligible class of employees, automatically becomes a Member of the plan as of the first day of employment with YCS.

Each permanent part-time employee, belonging to an eligible class of employees, automatically becomes a Member of the plan if the employee earns at least 37% of the equivalent full-time earnings for his or her particular position.

All Members and the Employer have agreed to share the cost of benefits accrued annually, plus the administrative expenses of the DB plan in the following ratio:

- Employer 52.38%
- Employee 47.62%

Members are required to make contributions at 8.80% of earnings below the Year's Maximum Pensionable Earnings (YMPE) and 11.60% of earnings above YMPE. The YMPE for the 2015 calendar year is \$53,600 (2014 - \$52,500).

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

(b) Defined Benefit Plan (continued)

The employer must contribute to the DB pension trust fund each year no less than its portion of the total current service cost as determined by the Actuary. In addition, YCS shall contribute to the Solvency Account such additional amounts as may be required, based on the advice of the Actuary, to amortize any going concern unfunded liabilities and solvency deficiencies of the Plan.

Normal retirement date for an employee is when they terminate employment with YCS having reached the age of 65. An employee would be entitled to an unreduced early retirement date when the Members' age plus years of service at YCS total 90. A Member may elect to retire up to 10 years prior to their normal retirement date or their unreduced retirement date and take a reduced pension benefit.

The annual pension payable to Member who retires at the normal retirement date is equal to 1.30% of the a Member's Best Average Pensionable Earnings up to the Average YMPE plus 2% of the Member's Best Average Pensionable Earnings in excess of the Average YMPE, multiplied by years of Pensionable Service. Pensionable Earnings and the YMPE are averaged over the best 10 years prior to termination, death or retirement.

The plan provides inflation protection during retirement at 75% of the increase in Northwest Territories Consumer Price Index.

Benefits are vested immediately.

During fiscal 2014/2015 Yellowknife Catholic Schools contributed \$1,585,297 (\$1,583,200 in fiscal 2013/2014) in respect of DB accruals.

During the year, employees at YCS transferred \$3,574,347 from the DC plan and other sources to the DB plan as part of the pension buy back.

The date of the most recent actuarial valuation of the Plan is June 30, 2014. The Accrued Benefit Obligation was calculated using the projected unit credit method, pro-rated on service.

The DB Pension Trust fund assets are recorded at fair market value.

(c) Supplementary Defined Benefit Pension Plan

The supplementary plan applies to the Superintendent and the Assistant Superintendents. The supplementary plan provides a pension benefit for pensionable earnings in excess of the defined benefit limit set out in the Income Tax Act. This plan is a non-contributory plan and is not funded until the employee terminates their employment from Yellowknife Catholic Schools. The employer is responsible to provide a pension at retirement equivalent to what the employee would have earned under the Defined Benefit provision of the Pension Plan for the Employees of Yellowknife Catholic schools if there were no *Income Tax Act* maximum pension limits in place. The Accrued Benefit Obligation was calculated using the projected unit credit method, pro-rated on service.

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2015 is as follows:

(d) Plan assets

	Pension Plan	Supplementary Plan	2015
Fair value, beginning of year	\$ 3,450,600	\$ -	\$ 3,450,600
Expected return on plan assets	258,500	-	258,500
Employer contributions	1,593,300	-	1,593,300
Employee contributions	1,437,500	-	1,437,500
Employee prior service contributions	3,574,300	-	-
Benefit payments and expenses	(229,100)	-	(229,100)
Experience (loss) gain	152,200	-	152,200
Fair value, end of year	\$ 10,237,300	\$ -	\$ 10,237,300

(e) Accrued benefit obligations

	Pension Plan	Supplementary Plan	2015
Balance, beginning of year	\$ 3,216,100	\$ 14,100	\$ 3,230,200
Current service cost	2,774,200	12,000	2,786,200
Interest cost on accrued benefit obligation	305,200	300	305,500
Employer prior service cost	50,700	-	50,700
Employee prior service cost	3,574,300	-	3,574,300
Benefit payments and expenses	(229,100)	-	(229,100)
(Gains) / losses on accrued benefit obligation	203,900	-	203,900
Balance, end of year	\$ 9,895,300	\$ 26,400	\$ 9,921,700

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

(f) Funded status

	Pension Plan	Supplementary Plan	2015
Plan surplus / (deficit)	\$ 342,000	\$ (24,800)	\$ 317,200
Unrecognized (gains) losses	3,300	(1,600)	1,700
Accrued benefit asset (liability) before limit on assets	345,300	(26,400)	318,900
Impact of limit on assets	(345,300)	-	(345,300)
Accrued benefit asset (liability) after limit on assets	\$ -	\$ (26,400)	\$ (26,400)

(g) Determination of pension cost

	Pension Plan	Supplementary Plan	2015
Current service cost	\$ 1,336,700	\$ 12,000	\$ 1,348,700
Interest on accrued benefit obligation	46,700	300	47,000
Expected return on plan assets	-	-	-
Amortization of losses / (gains)	(3,500)	-	(3,500)
Extraordinary items	50,700	-	50,700
Change in valuation allowance	162,700	-	162,700
Pension expense	\$ 1,593,300	\$ 12,300	\$ 1,605,600

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

Information about the Defined Benefit Plan and Supplementary Defined Benefit Pension Plan as at June 30, 2014 is as follows:

(h) Plan assets

	Pension Plan	Supplementary Plan	2014
Fair value, beginning of year	\$ 378,500	\$ -	\$ 378,500
Actual return on plan assets	166,900	-	166,900
Employer contributions	1,583,200	-	1,583,200
Employee contributions	1,405,700	-	1,405,700
Benefit payments and expenses	(83,700)	-	-
Fair value, end of year	\$ 3,450,600	\$ -	\$ 3,450,600

(i) Accrued benefit obligations

	Pension Plan	Supplementary Plan	2014
Balance, beginning of year	\$ 374,000	\$ 2,000	\$ 376,000
Current service cost	2,751,400	11,900	2,763,300
Interest cost on accrued benefit obligation	138,800	200	139,000
Benefit payments and expenses	(83,700)	-	-
(Gains) / losses on accrued benefit obligation	35,600	100	35,700
Balance, end of year	\$ 3,216,100	\$ 14,200	\$ 3,230,300

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

(j) Funded status

	Pension Plan	Supplementary Plan	2014
Plan surplus (deficit)	\$ 234,500	\$ (14,200)	\$ 220,300
Unrecognized (gains) losses	(51,900)	100	(51,800)
Accrued benefit asset (liability) before limit on assets	182,600	(14,100)	168,500
Impact on limit of assets	(182,600)	-	(182,600)
Accrued benefit asset (liability)	\$ -	\$ (14,100)	\$ (14,100)

(k) Determination of pension cost

	Pension Plan	Supplementary Plan	2014
Current service cost	\$ 1,345,700	\$ 11,900	\$ 1,357,600
Interest on accrued benefit obligation	138,800	200	139,000
Expected return on plan assets	(82,400)	-	(82,400)
Amortization of losses/ (gains)	(200)	-	-
Increase in valuation allowance	182,600	-	-
Pension expense	\$ 1,584,500	\$ 12,100	\$ 1,596,600

(l) Actuarial assumptions

	2015	2014
Discount rate - pension plan	4.50%	4.50%
Discount rate - supplementary plan	1.20%	1.20%
Expected return on plan assets - pension plan	4.50%	4.50%
Expected return on plan assets - supplementary plan	n/a	n/a
Salary increase - pension plan	2.00%	2.00%
Salary increase - supplementary plan	2.00%	2.00%
Mortality table	120% of the CPM 2015 table *	120% of the CPM 2014 table *
Expected average remaining services lifetime (EARSL) - pension plan	14.2 Years	14.7 Years
Expected average remaining services lifetime (EARSL) - supplementary plan	8.5 Years	8.5 Years

* 120% of the 2014 Canadian Pensioners' Private Sector Mortality Table with projection scale CPM-B.

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

June 30, 2015

16. Pensions (continued)

(m) Plan assets consist of:

	2015	2014
Fixed income securities	60%	60%
Equity securities	40%	40%

17. Long Term Debt

	2015	2014
Pacific and Western debenture facilities number 2, 3, and 4, repayable in monthly installments of \$68,016, including interest at 5.73%, final installment on maturity due in March 2018.	\$ 2,129,876	\$ 2,802,930

Government of the Northwest Territories debenture, repayable in monthly installments of \$10,000 including interest. Interest rate consistent with GNWT cost of borrowing at a current rate of 1.20%. If rates do not change the final installment will be due in 2024.	1,059,639	1,166,226
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\$ 3,189,515	\$ 3,969,156
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The debenture are repayable annually as follows:

2016	\$ 820,497
2017	863,763
2018	773,123
2019	111,828
2020 and thereafter	620,304

\$ 3,189,515

The debentures are registered.

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Notes to Consolidated Financial Statements

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18. 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 YCS.

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

	2015	2014
Removal	\$ 466,390	\$ 479,320
Severance	173,684	166,991
	\$ 640,074	\$ 646,311

19. Trust Assets Under Administration

YCS does not have any trust assets under administration.

Yellowknife Catholic Schools
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Notes to Financial Statements

June 30, 2015

20. Tangible Capital Assets

	Cost	Additions	Disposals	Amortization	Accumulated Amortization	Net Book Value, June 30, 2015	Net Book Value June 30, 2014
Land and Improvements	\$ 1,838,825	\$ -	\$ -	\$ -	\$ -	\$ 1,838,825	\$ 1,838,825
Equipment	169,701	-	-	16,970	71,185	98,516	115,486
Buildings and Portables							
Career and Technical Centre	2,878,913	-	-	73,888	810,050	2,068,863	2,142,751
Central Services offices	953,899	-	-	34,426	508,115	445,784	480,210
Ecole St. Joseph School	37,333,024	-	-	958,888	10,537,965	26,795,059	27,753,947
Ecole St. Patrick High School	11,723,901	-	-	293,431	5,856,614	5,867,287	6,160,718
Tallah Building	444,875	176,152	-	15,883	41,834	579,193	418,924
Weledeh Catholic School	12,557,840	-	-	330,161	4,595,784	7,962,056	8,292,217
	65,892,452	176,152	-	1,706,677	22,350,362	43,718,242	45,248,767
	\$ 67,900,978	\$ 176,152	\$ -	\$ 1,723,647	\$ 22,421,547	\$ 45,655,583	\$ 47,203,078

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Notes to Consolidated Financial Statements

June 30, 2015

21. Prepaid Expenses and Deposits

	2015	2014
Deposits	\$ 6,087	\$ 6,087
Other prepaids	57,935	117,527
	\$ 64,022	\$ 123,614

22. Accumulated Surplus/Deficit

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

23. Capital Advances

YCS does not have any capital advances.

24. GNWT Assets Provided At No Cost

YCS does not have any GNWT assets provided at no cost.

25. Contractual Obligations

YCS has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to June 30, 2015. YCS is committed to two rental agreements. The first rental agreement is with Side Door Ministries and this lease expired on June 30, 2015. A new rental agreement is currently under negotiation. The second rental agreement is with Shelter Canadian Properties expires in November 2015. YCS is committed to five janitorial contracts for various schools and buildings. All of the contracts expire in June 2016. YCS had a contract with Cardinal Coachlines Limited for student transportation. The contract expired in June 2015. A new agreement is currently under negotiation. YCS has a contract with ThyssenKrupp for elevator maintenance. YCS is invoiced annually. This contract expires in February 2021. In its normal course of operations, YCS has leases for equipment. The equipment leases are payable in varying monthly and annual installments.

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Notes to Consolidated Financial Statements

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25. Contractual Obligations (continued)

The future minimum payments are as follows.

	Expires in fiscal year	2016	2017 - 2021	Total
Commercial and residential leases	2016			
303 - 100 Beck Court	2016	\$ 9,425	\$ -	\$ 9,425
		9,425	-	9,425
Equipment leases	2016 - 2019			
Photocopier leases	2016	7,021	-	7,021
Photocopier leases	2017	4,768	4,768	9,536
Photocopier leases	2019	7,739	23,217	30,956
		19,528	27,985	47,513
Operation contracts	2016 - 2021			
Employee assistance program	2017	10,243	7,682	17,925
Mail services	2017	6,248	6,248	12,496
Janitorial services	2016	573,805	-	573,805
Elevator maintenance	2021	27,005	160,677	187,682
Post machine	2017	787	197	984
Google conference	2016	50,737	-	50,737
		668,825	174,804	843,629
		\$ 697,778	\$ 202,789	\$ 900,567

YCS is committed to the terms of the 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, which expire in 2016.

Yellowknife Catholic Schools
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Notes to Consolidated Financial Statements

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26. Contingencies

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

27. Related Parties

YCS has the following transactions with government and other government controlled organizations:

	2015	2014
Revenue		
Aurora College (Tallah Building rent)	\$ 116,083	\$ 113,089
Beaufort Delta Divisional Educational Council	15,000	-
Fort Smith Health and Social Services	1,736	-
GNWT - Department of Education, Cultural and Employment	19,834,317	18,674,428
GNWT - Other Government Departments (Note 35)	117,556	125,151
South Slave Divisional Education Council	15,000	-
Yellowknife Health and Social Services	60,413	-
	\$ 20,160,105	\$ 18,912,668
Accounts Receivable		
Aurora College (Tallah Building rent)	\$ 2,985	\$ -
GNWT - Department of Education, Cultural and Employment	72,000	80,134
Yellowknife Health and Social Services	15,332	-
	\$ 90,317	\$ 80,134
Accounts Payable		
GNWT - Department of Education, Culture and Employment	\$ 1,166,199	\$ 290,929

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Notes to Consolidated Financial Statements

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28. Budget Data

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

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

The budget figures presented are those approved by the Trustees of YCS on May 21, 2014 and have not been audited.

29. 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.

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Notes to Consolidated Financial Statements

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30. Risk Management

YCS is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risks from the YCS's financial instruments is provided by type of risk below. YCS is exposed to credit and liquidity risks from the its financial instruments. Qualitative and quantitative analysis of the significant risks from YCS's financial instruments is provided below 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, due from the Government of Canada, and accounts receivable. The YCS holds its cash in accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the YCS's cash in accounts are insured up to \$300,000.

YCS's maximum exposure to credit risk is represented by the financial assets balance for a total of \$6,446,850 (2014 - \$6,305,009).

Accounts receivable are ultimately due from the departments of the Government of Canada and the Northwest Territories and pertain to outstanding contribution agreements. Accounts receivable from the Government of Canada represents goods and services tax receivable from the Government of Canada. The majority of the deposits are held in one Canadian chartered bank and more than 10% of the total accounts receivable is from the Government of the Northwest Territories. The amounts represent a low credit risk as the debtors are reputable governments and government organizations with a good credit score.

b) Interest rate risk

YCS manages its exposure to interest rate risk through fixed rate borrowings for its debentures. The fixed rate debts are subject to interest rate price risk, as the value will fluctuate as a result of changes in interest rates.

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June 30, 2015

30. Risk Management (continued)

c) Liquidity risk

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

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

Financial assets	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Cash and cash equivalents	\$ 6,198,619	\$ -	\$ -	\$ -
Due from the government of Canada	142,583	-	-	-
Accounts receivable	105,744	-	-	-
Total assets	\$ 6,446,946	\$ -	\$ -	\$ -
Total assets - prior year	\$ 6,305,009	\$ -	\$ -	\$ -
Financial liabilities	Up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable and accrued liabilities	\$ 1,401,749	\$ -	\$ -	\$ -
Payroll benefits payable	564,965	-	-	-
Due to the Government of Canada	5,860	-	-	-
Long term debt	-	820,497	1,861,532	507,486
Accrued payroll liabilities	2,347,959	-	-	-
Total liabilities	\$ 4,320,533	\$ 820,497	\$ 1,861,532	\$ 507,486
Total liabilities - prior year	\$ 3,456,862	\$ 779,641	\$ 2,568,874	\$ 620,641
Net total	\$ 2,126,413	\$ (820,497)	\$ (1,861,532)	\$ (507,486)
Net total - prior year	\$ 2,848,147	\$ (779,641)	\$ (2,568,874)	\$ (620,641)

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

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

31. Expenditures By Object

	2015	2015	2014
	Budget	Actual	Actual
Amortization	\$ -	\$ 1,723,647	\$ 1,709,661
Compensation	20,384,494	20,704,652	20,562,208
Interest on long term debt	980,000	156,552	195,200
Materials/freight	782,912	722,705	809,010
Services purchased/contracted	3,322,234	3,073,575	3,266,088
	\$ 25,469,640	\$ 26,381,131	\$ 26,542,167

32. Subsequent Events

There were no subsequent events that have taken place between June 30, 2015 and the date the audit report was signed.

33. Comparative Figures

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

Yellowknife Catholic Schools
 (Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

34. ECE Other Contributions

	2015	2014
Government of the Northwest Territories - Department of Education, Culture and Employment		
Aboriginal language	\$ 59,000	\$ 59,000
Do Edaezhe	923,000	-
Four Plus	100,000	128,000
French language - mentorship and other funding	47,000	8,500
French language	309,390	409,500
Other	55,031	153,884
Yellowknife Family Center	62,000	62,000
	\$ 1,555,421	\$ 820,884

35. GNWT Other Contributions

	2015	2014
Government of the Northwest Territories		
Department of Environment and Natural Resources	\$ -	\$ 5,000
Department of Health and Social Services	33,870	7,246
Department of Human Resources	-	62,500
Department of Industry, Tourism and Investment	13,500	8,000
Department of Municipal and Community Affairs	70,186	42,405
	\$ 117,556	\$ 125,151

36. Payroll Liabilities

	2015	2014
Teachers - Northwest Territories Teachers' Association	\$ 1,791,394	\$ 1,779,387
Non-Teacher - Union of Northern Workers	556,565	486,073
	\$ 2,347,959	\$ 2,265,460

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Notes to Consolidated Financial Statements

June 30, 2015

37. Statement of Remeasurement Gains and Losses

YCS does not have any remeasurement gains or losses.

38. Education Authority Generated Funds

	2015 Budget	2015 Actual	2014 Actual
Donations	\$ 19,400	\$ 118,969	\$ 99,644
Fees and sales	453,642	466,222	398,996
Investments	50,000	65,744	56,716
Other	12,000	286,019	157,922
Rentals	177,999	177,258	175,200
	\$ 713,041	\$ 1,114,212	\$ 888,478

39. Insurance Proceeds

During the year, the outstanding insurance claim for the 2006 fire at Ecole St. Joseph School was settled for \$1,406,770.

A condition of the renovation at Ecole St. Joseph School is that the net insurance proceeds related to the 2006 fire will be paid to the GNWT - ECE once the funds have been received. As of June 30, 2014, insurance proceeds of \$838,700 were recognized for insurance proceeds. As of June 30, 2014 there was a receivable of \$540,424 to YCS from the insurance proceeds and a payable of \$284,407 to GNWT - ECE from the initial estimated proceeds of \$838,700. After legal expenses paid by YCS are deducted, there is \$1,146,322 owing to GNWT - ECE.

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 1
Operating Fund - Detail of Expenditures

For the period ended June 30, 2015

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Administration	Aboriginal Languages (Schedule 3)	Transfers & Others	Total 2015	Budget 2015	Total 2014
Salaries									
Teachers	\$8,804,133	\$2,235,493	\$ -	\$ -	\$ 411,114	\$ -	\$11,450,740	\$10,849,209	\$11,177,598
Instruction assistants	22,375	1,471,002	-	-	-	-	1,493,377	1,529,342	1,436,699
Non-instructional	1,316,749	440,688	351,637	662,057	-	-	2,771,131	2,527,621	2,796,868
Board honoraria	-	-	-	65,335	-	-	65,335	65,545	64,062
	10,143,257	4,147,183	351,637	727,392	411,114	-	15,780,583	14,971,717	15,475,227
Employee Benefits									
Employee benefits	3,191,736	1,312,034	102,565	183,558	124,823	-	4,914,716	5,379,611	5,039,539
Leave and termination benefits	3,641	-	-	5,712	-	-	9,353	33,166	47,442
	3,195,377	1,312,034	102,565	189,270	124,823	-	4,924,069	5,412,777	5,086,981
Services Purchased/Contracted									
Advertising/publishing	13,211	-	-	53,366	23,081	-	89,658	92,000	138,518
Communication	51,344	4,133	8,486	23,887	556	-	88,406	94,000	88,656
Contracted services	540,565	12,964	617,024	2,190	18,180	-	1,190,923	1,214,651	1,134,346
Maintenance & repairs	16,122	345	279,761	299	9,271	-	305,798	468,000	395,784
Other	62,312	87	12,937	57,479	-	-	132,815	82,500	83,515
Professional/technical	53,636	88,394	-	54,514	49,041	-	245,585	279,583	303,156
Rental/leases	31,792	72,290	-	15,048	3,505	-	122,635	123,500	127,439
Student transportation	2,625	12,569	-	-	-	-	15,194	25,000	100,499
Travel	5,645	-	-	43,711	3,794	-	53,150	104,000	38,693
Utilities: Electricity	-	-	427,715	-	-	-	427,715	839,000	390,714
Heating	-	-	306,457	-	-	-	306,457	-	367,295
Water/sewage	-	-	95,239	-	-	-	95,239	-	97,473
	777,252	190,782	1,747,619	250,494	107,428	-	3,073,575	3,322,234	3,266,088
Materials/Freight									
Materials	487,566	127,017	-	61,141	38,867	-	714,591	767,912	799,687
Freight	8,114	-	-	-	-	-	8,114	15,000	9,323
	495,680	127,017	-	61,141	38,867	-	722,705	782,912	809,010

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, 2015

	School Programs	Inclusive Schooling (Schedule 2)	Operations & Maintenance	Administration	Aboriginal Languages (Schedule 3)	Transfers & Others	Total 2015	Budget 2015	Total 2014
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,723,647	\$ 1,723,647	\$ -	\$ 1,709,661
Debenture Interest	-	-	-	-	-	156,552	156,552	-	195,200
	-	-	-	-	-	1,880,199	1,880,199	980,000	1,904,861
Total	\$14,611,566	\$ 5,777,016	\$ 2,201,821	\$ 1,228,297	\$ 682,232	\$ 1,880,199	\$26,381,131	\$25,469,640	\$26,542,167

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 2
Detail of Inclusive Schooling Expenditures

For the period ended June 30, 2015

	Staff Development	Intervention Strategies	Assistive Technology	Early Childhood	Magnet Facilities	Do Edaeze	General Inclusive Schooling	Total
Salaries								
Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,191	\$ 117,191
Non-instructional	-	200,075	-	240,613	-	-	-	440,688
Support assistants	-	1,415,400	-	-	55,601	-	-	1,471,001
Teachers	505	1,241,601	-	-	104,319	771,878	-	2,118,303
	505	2,857,076	-	240,613	159,920	771,878	117,191	4,147,183
Employee Benefits	59,752	939,275	-	89,199	47,924	143,982	31,902	1,312,034
Services Purchased/Contracted								
Contracted services	-	-	-	12,964	-	-	-	12,964
Communication	-	-	-	3,593	-	540	-	4,133
Maintenance & repairs	-	-	345	-	-	-	-	345
Professional/technical	-	28,163	-	19,556	-	40,675	-	88,394
Rental/leases	-	751	-	71,539	-	-	-	72,290
Student transportation	-	3,778	-	346	-	8,445	-	12,569
Other	-	87	-	-	-	-	-	87
	-	32,779	345	107,998	-	49,660	-	190,782
Materials/Freight	41,798	46,894	16,883	15,078	2,797	3,567	-	127,017
Total	\$ 102,055	\$ 3,876,024	\$ 17,228	\$ 452,888	\$ 210,641	\$ 969,087	\$ 149,093	\$ 5,777,016

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 3
Aboriginal Language and Culture Program Expenditures

For the period ended June 30, 2015

	Student Instruction	Teaching/ Learning Resources	Total
Salaries			
Elders honorarium	\$ 63,035	\$ -	\$ 63,035
Teachers	308,122	39,957	348,079
	371,157	39,957	411,114
Employee Benefits	113,943	10,881	124,823
Services Purchased/Contracted			
Contracted services	18,180	-	18,180
Communications	556	-	556
Maintenance and repairs	9,271	-	9,271
Printing and publishing	-	23,081	23,081
Professional/technical	44,291	4,750	49,041
Rentals	3,505	-	3,505
Travel	3,794	-	3,794
	79,597	27,831	107,428
Materials/Freight	19,555	19,312	38,867
Total	\$ 584,252	\$ 97,981	\$ 682,232

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 4
Aboriginal Language Materials

For the period ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total
Revenue			
Secretary of State Funding Aboriginal Languages	\$ 59,000	\$ -	\$ 59,000
Expenditures			
Salary and benefits	33,643	17,195	50,838
Supplies and materials	29,623	17,520	47,143
	63,266	34,715	97,981
Deficit	\$ (4,266)	\$ (34,715)	\$ (38,981)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 5
Four Plus

For the period ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total
Revenue			
Contract	\$ 75,000	\$ 25,000	\$ 100,000
Usage	40,906	23,192	64,098
	115,906	48,192	164,098
Expenditures			
Operations and maintenance	2,497	2,561	5,058
Salary and benefits	100,103	71,293	171,396
	102,600	73,854	176,454
Surplus (deficit)	\$ 13,306	\$ (25,662)	\$ (12,356)

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 6
Yellowknife Family Centre

For the period ended June 30, 2015

	July 1, 2014 to March 31, 2015	April 1, 2015 to June 30, 2015	Total
Revenue			
Health Canada	\$ 129,909	\$ 50,000	\$ 179,909
Government of the Northwest Territories	46,500	15,500	62,000
Other	8,290	45	8,335
	184,699	65,545	250,244
Expenditures			
Operations and maintenance	78,828	20,221	99,049
Salary and benefits	90,059	68,444	158,503
	168,887	88,665	257,552
Surplus (deficit)	\$ 15,812	\$ (23,120)	\$ (7,308)

Yellowknife Catholic Schools
 (Yellowknife Public Denominational District Education Authority)

Schedule 7
French Language Programs

For the period ended June 30, 2015

	Contribution from GNWT	Commitment from YCS	Actual Expenditures	Over (under) Expenditures
Bilateral Agreement Funding				
Special Projects				
Consultant - Immersion/Core French	\$ 60,000	\$ 87,000	\$ 147,847	\$ (847)
Core French (salary and benefits)	100,000	182,000	289,076	(7,076)
Early Immersion/Literacy (salary and benefits)	56,000	65,000	138,050	(17,050)
French cultural activities	4,000	5,000	9,140	(140)
French monitor	-	14,000	22,375	(8,375)
French resources	11,000	8,000	22,068	(3,068)
Professional development	4,000	8,000	12,834	(834)
Teacher assistant (salary and benefits)	45,500	30,000	79,677	(4,177)
Late Immersion Salary	25,000	90,000	221,663	(106,663)
Late Immersion Supplies	3,200	12,800	15,760	240
Late Immersion Training	690	2,460	1,436	1,714
Total	\$ 309,390	\$ 504,260	\$ 959,926	\$ (146,276)
Regular GNWT Funding				
Core French			\$ 176,982	
Immersion Program			1,572,043	
Total			\$ 1,749,025	

Yellowknife Catholic Schools
(Yellowknife Public Denominational District Education Authority)

Schedule 8
Student Success Initiative Projects

For the period ended June 30, 2015

	ESJS Literacy Project	Differentiated Professional Development	Total
Revenue			
Government of Northwest Territories - Department of Education, Culture and Employment	\$ 55,000	\$ 48,000	\$ 103,000
Expenditures			
Professional development	-	28,507	28,507
Staff salary and benefits	55,000	-	55,000
Substitute teacher wages	-	9,472	9,472
Training	-	16,450	16,450
	55,000	54,429	109,429
Deficit	\$ -	\$ (6,429)	\$ (6,429)

Yellowknife District No.1 Education Authority

(Yellowknife Education District No. 1)

Financial Statements

June 30, 2015





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EDUCATING FOR LIFE.

YELLOWKNIFE EDUCATION DISTRICT NO. 1 OF THE NORTHWEST TERRITORIES

BOX 788
YELLOWKNIFE, NT X1A 2N6
TEL: (867) 766-5050 FAX: (867) 873-5051

Management Discussion and Analysis

Introduction

Yellowknife Education District No. 1 ("YK1") Administration:

Metro Huculak, Superintendent of Education/CEO
Ed Lippert, Assistant Superintendent
Tram Do, Director of Corporate Services

Current Board Members:

John Stephenson, Chairperson
Allan Shortt, Acting Vice- Chairperson

Trustees:

Heather Clarke
Jay Butler
Terry Brookes
Blake Lyons

Active Committees include:

- Healthy Schools Steering Committee
- Policy Committee
- Aboriginal Language and Culture Committee
- Public Relations Committee
- Finance Committee

The YK1 Board of Trustees vision ensures all students:

- Reach their highest level of learning
- Engage in, and value, Aboriginal language and culture-based education
- With special needs flourish within an inclusive school community
- Engage in healthy lifestyles, and respectful and caring relationships.

School	Enrolment K-12		Teachers/ Admin/ PST		Pupil/Teacher ratio	
	Sep-14	Jun-15	Sep-14	Jun-15	Sep-14	Jun-15
Mildred Hall School	214.5	223.0	15.25	15.45	14.07	14.43
JH Sissons	236.0	224.0	15.00	15.00	15.73	14.93
William McDonald School	169.0	172.0	11.75	11.75	14.38	14.64
NJ Macpherson School	256.0	258.0	15.50	15.50	16.52	16.65
Range Lake North School	306.5	297.0	20.50	21.00	14.95	14.14
Sir John Franklin High School	627.0	637.0	31.10	31.10	20.16	20.48
Total District	1,809.0	1,811.0	109.10	109.80	16.58	16.49

Enrolment remained mainly consistent throughout the year.

Summary and Outlook

In 2014-2015, the YK1 faced many challenges including important decisions about the use of our facilities, the potential rollout and preparation of Junior Kindergarten ("JK") and budget restrictions. Despite these challenges, the board looks back proudly at their achievements and successes over the past year:

- The district hosted a widely successful fundraising effort for the family of Malcolm Austin, a student at Range Lake North School who has an inoperable brain tumour. The combined efforts of the fundraiser accumulated over \$26,000 in funds for the family.
- YK1 celebrated its 75th anniversary as well as 35 years of French Immersion programming. Both milestones were celebrated with the community.
- 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
 - Workshops and field trips to various Yellowknife establishments
- Outdoor beautification initiatives and gardening at Mildred Hall School and other schools continues to be a priority of the Board. This past spring several garden beds were installed at the front of Mildred Hall School in collaboration with Northern United Place residents and Betty House residents.
- Several parent conversation nights held at every YK1 school encouraged parents to speak about what programming they wanted to see at their schools. Several parent survey and feedback opportunities were available to parents, who then had the opportunity provide input into the 2015-2016 program.
- A clear bullying prevention policy which was drafted and approved by the Policy Committee was distributed to all parents and staff.
- There are two underground fuel tanks at two of our schools. YK1 will be work with the Department of Public Works and the Department of Education, Culture and Employment to conduct an environmental assessment of the area surrounding the two underground fuel tanks and draft plans for their removal and replacement and complete any environmental remediation as necessary.

Foreseeable challenges for 2015 -2016

- While a unanimous decision to retain all YK1 facilities status quo was reached, the board is aware that enrolment and facility decisions will continue to be discussed.
- Repairs needed to YK1 schools will occur throughout the year and will occur outside of school hours when possible.
- The YK1 board is preparing for the potential rollout of the GNWT's JK in YK1 schools with no additional funding for implementation within our schools.



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, 2015, consolidated statements of operations, consolidated changes in net assets, and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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, 2015, and its consolidated financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

We further report in accordance with the *Financial Administration Act* that, in our opinion, proper books of account have been kept by Yellowknife District No. 1 Education Authority, the financial statements are in agreement therewith and the transaction that have come under our notice, have, in all significant respects, been within the statutory powers of Yellowknife District No. 1 Education Authority.

**Chartered Accountants****Yellowknife, Northwest Territories
September 8, 2015**



Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Financial Position

Statement 1

As at June 30,	2015 \$	2014 \$
FINANCIAL ASSETS		
Cash (Note 4)	-	1,990,654
Portfolio Investments (Note 7)	6,183,106	6,165,410
Due from Government of Canada (Note 13)	96,833	101,025
Accounts Receivable (Note 8)	1,504,072	751,902
	7,784,011	9,008,991
LIABILITIES		
Bank Indebtedness (Note 4)	45,244	-
Accounts Payable and Accrued Liabilities (Note 10)	432,182	355,430
Payroll Liabilities (Note 35)	3,079,425	3,025,449
Leave and Termination Benefits (Note 17)	1,853,265	1,912,682
Deferred Revenue (Note 11)	72,000	1,433,087
	5,482,116	6,726,648
NET FINANCIAL ASSETS	2,301,895	2,282,343
NON-FINANCIAL ASSETS		
Prepaid Expenses (Note 20)	170,421	167,320
Tangible Capital Assets (Note 19)	15,545,293	16,483,457
Inventories (Note 9)	26,807	-
	15,742,521	16,650,777
ACCUMULATED SURPLUS	18,044,416	18,933,120
Represented by:		
Operating Fund	1,352,510	1,174,553
Investment in Tangible Capital Assets	15,545,293	16,483,457
Decentralized Surplus	242,448	370,945
Capital Fund Reserve	904,165	904,165
	18,044,416	18,933,120

Contractual Obligations (Note 24), Contingencies (Note 25)

Approved on behalf of the board:

Trustee 

Trustee 



Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Operations

Statement 2

For the year ended June 30,

	2015 Budget \$	2015 Actual \$	2014 Actual Restated (note 39) \$
REVENUE			
Government of the Northwest Territories			
Regular contributions	23,464,131	24,275,943	24,212,611
Other contributions (Note 33)	123,000	216,750	175,393
Aboriginal languages	60,000	73,900	60,000
French revenue	410,000	466,500	410,000
Total ECE	24,057,131	25,033,093	24,858,004
GNWT other contributions (Note 34)	60,775	46,875	8,000
Property tax requisitioned	5,788,986	5,737,836	5,704,347
Education authority generated funds			
Rental income	360,000	382,722	379,816
Portfolio investment income	100,000	129,279	138,350
Other (Note 37)	627,432	564,869	717,558
	1,087,432	1,076,870	1,235,724
Total revenue	30,994,324	31,894,674	31,806,075
EXPENDITURES			
School programs	20,521,991	20,725,074	20,281,870
Inclusive schooling	5,342,545	5,455,847	5,246,219
Staff accommodations	175,500	177,930	208,180
Operations and maintenance	2,921,068	3,193,088	3,196,175
Administration	1,429,925	1,250,306	1,688,972
Aboriginal language/cultural programs	936,535	939,196	951,765
Amortization	-	1,041,938	1,163,041
Total operating expenditures	31,327,564	32,783,379	32,736,222
Operating deficit before other items	(333,240)	(888,705)	(930,147)
Other items			
Grant in-kind - GNWT Assets provided at no cost (Note 23)	-	1,799,769	1,799,769
Rent expense - GNWT Assets provided at no cost (Note 23)	-	(1,799,769)	(1,799,769)
Operating deficit	(333,240)	(888,705)	(930,147)
Opening accumulated surplus	18,933,121	18,933,121	19,863,268
Closing accumulated surplus	18,599,881	18,044,416	18,933,121



Yellowknife District No. 1 Education Authority

(the Authority)

Consolidated Statement of Changes in Net Financial Assets

Statement 3

For the ended June 30,	2015	2014
	\$	\$
Operating deficit	(888,705)	(930,147)
Acquisition of tangible capital assets (2015 budget \$70,000)	(103,774)	-
Amortization of tangible capital assets	1,041,938	1,163,041
	49,459	232,894
Change in inventory	(26,807)	-
Change in prepaid expenses	(3,100)	(63,912)
	(29,907)	(63,912)
Increase (decrease) in net assets	19,552	168,982
Net asset at beginning of year	2,282,343	2,113,361
Net asset at end of year	2,301,895	2,282,343

(the Authority)

Consolidated Statement of Cash Flows
Statement 4

For the year ended June 30,	2015 \$	2014 \$
<i>Cash provided by (used in)</i>		
OPERATING TRANSACTIONS		
Operating deficit	(888,706)	(930,144)
Item not affecting cash:		
Amortization	1,041,938	1,163,040
Changes in non-cash assets and liabilities		
Decrease (increase) Due from (to) Government of Canada	4,192	(2,561)
Decrease (increase) accounts receivable	(752,170)	15,831
Increase (decrease) accounts payable	76,754	(252,842)
Increase (decrease) payroll liabilities	53,976	(708,975)
Increase (decrease) deferred revenue	(1,361,087)	(61,049)
Increase (decrease) post-employment benefits	(59,417)	38,197
Decrease (increase) inventory	(26,807)	-
Decrease (increase) prepaid expenses	(3,101)	(63,911)
CASH USED FOR OPERATING TRANSACTIONS	(1,914,428)	(802,414)
INVESTING TRANSACTIONS		
Disposition of portfolio investments	-	706,564
Acquisition of portfolio investments	(17,696)	-
CASH PROVIDED BY (USED FOR) INVESTING TRANSACTIONS	(17,696)	706,564
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(103,774)	-
Proceeds of disposition of tangible capital assets	-	-
CASH USED FOR CAPITAL TRANSACTIONS	(103,774)	-
FINANCING TRANSACTIONS		
Repayment of capital lease obligation	-	-
Proceeds from capital lease obligation	-	-
CASH PROVIDED BY (USED FOR) FINANCING TRANSACTIONS	-	-
DECREASE IN CASH AND CASH EQUIVALENTS	(2,035,898)	(95,850)
CASH AT BEGINNING OF YEAR	1,990,654	2,086,504
CASH (BANK INDEBTEDNESS) AT END OF YEAR	(45,244)	1,990,654
Total interest paid during the year	-	-

(the Authority)

Consolidated Details of Expenses

Statement 5

For the year ended June 30,	School Programs \$	Inclusive Schooling \$	Student Accommodation \$	Operations and Maintenance \$	Administration \$	Aboriginal Languages \$	Total 2015 \$	Budget 2015 \$	Total 2014 \$
SALARIES									
Honoraria	-	-	-	-	68,115	-	68,115	68,722	109,753
Instructional assistants	797,421	2,161,438	-	-	-	93,831	3,052,690	2,938,374	2,957,904
Non-instructional staff	1,878,079	-	21,825	457,708	934,861	193,077	3,485,550	3,379,232	3,645,378
Teachers	12,596,201	2,231,578	-	-	18,636	286,142	15,132,557	14,190,926	14,366,341
	15,271,701	4,393,016	21,825	457,708	1,021,612	573,050	21,738,912	20,577,254	21,079,376
EMPLOYEE BENEFITS									
Employee benefits/allowances	2,923,658	857,525	1,513	107,635	233,070	91,656	4,215,057	5,489,717	4,823,996
Leave and termination benefits	152,285	-	-	10,472	(222,173)	-	(59,416)	-	-
	3,075,943	857,525	1,513	118,107	10,897	91,656	4,155,641	5,489,717	4,823,996
SERVICES PURCHASED									
Advertising and printing	-	-	-	-	25,321	-	25,321	30,800	27,658
Communication	62,406	-	-	7,514	30,189	-	100,109	84,850	107,511
Contracted services	249,220	77,987	-	333,933	-	141,873	803,013	653,562	764,883
Maintenance and repairs	60,924	29,547	39,606	415,301	85	31,293	576,756	593,984	592,723
Other	137,837	-	-	-	88,176	-	226,013	185,500	267,509
Professional and technical	286,209	48,486	-	-	24,608	51,826	411,129	402,500	323,382
Rentals and leases	150,209	-	-	-	7,435	-	157,644	162,960	136,944
Student transportation	376,457	13,523	-	-	-	3,157	393,137	380,000	375,699
Travel	6,454	-	-	-	-	370	6,824	5,000	20,537
Utilities									
Heating	-	-	45,129	709,188	-	-	754,317	745,000	982,228
Electricity	-	-	47,529	926,864	-	-	974,393	780,000	883,422
Water/Sewage	-	-	21,144	152,693	-	-	173,837	137,002	159,820
	1,329,716	169,543	153,408	2,545,493	175,814	228,519	4,602,493	4,161,158	4,642,316
MATERIALS									
Awards and student events	13,391	-	-	-	11,733	-	25,124	25,632	40,495
Freight	12,828	-	-	395	110	-	13,333	30,500	20,242
Materials and supplies	1,021,495	35,763	1,184	71,385	30,140	45,971	1,205,938	1,043,303	966,756
	1,047,714	35,763	1,184	71,780	41,983	45,971	1,244,395	1,099,435	1,027,493
AMORTIZATION									
	-	-	-	-	1,041,938	-	1,041,938	-	1,163,041
Total operating expenditures	20,725,074	5,455,847	177,930	3,193,088	2,292,244	939,196	32,783,379	31,327,564	32,736,222



Yellowknife District No. 1 Education Authority

(the Authority)

Details of Aboriginal Language and Culture-Based Education Expenditures

Statement 6

For the year ended June 30,	Student Instruction \$	Professional Development \$	School Activities and Integrated Community Programs \$	Total 2015 \$
SALARIES				
ALCBE Teachers	286,142	-	-	286,142
Instructional Assistants	93,831	-	-	93,831
Non Instructional Staff	-	-	193,077	193,077
	379,973	-	193,077	573,050
EMPLOYEE BENEFITS				
	91,656	-	-	91,656
SERVICES PURCHASED				
Professional and technical	-	51,826	-	51,826
Travel	-	370	-	370
Maintenance and repairs	-	-	31,293	31,293
Student travel	-	-	3,157	3,157
Contracted services	-	-	141,873	141,873
	-	52,196	176,323	228,519
MATERIALS				
Materials and supplies	-	-	45,971	45,971
Total operating expenditures	471,629	52,196	415,371	939,196



Yellowknife District No. 1 Education Authority

(the Authority)

Details of Inclusive Schooling Expenditures

Statement 7

For the year ended June 30,

	Student Resources \$	General Inclusive Schooling \$	Total 2015 \$
SALARIES			
Program support teachers	-	2,231,578	2,231,578
Support assistants	21,825	2,139,613	2,161,438
	21,825	4,371,191	4,393,016
EMPLOYEE BENEFITS			
	-	857,525	857,525
SERVICES PURCHASED			
Professional and technical	48,486	-	48,486
Student transportation	13,523	-	13,523
Maintenance and repairs	29,547	-	29,547
Contracted services	77,987	-	77,987
	169,543	-	169,543
MATERIALS			
Materials and supplies	35,763	-	35,763
Total operating expenditures	227,131	5,228,716	5,455,847



Yellowknife District No. 1 Education Authority

(the Authority)

Report on Activities of Specific Programs

Statement 8

French Language Program

BILATERAL AGREEMENT FUNDING

For the year ended June 30, 2015

	Contribution from the Department \$	Commitment from the Authority \$	Expenses \$	Over(under) funding \$
Literacy Coach (Salary)	70,000	50,000	137,495	(17,495)
Teacher Assistants (Salary)	35,000	35,000	84,192	(14,192)
Intensive & Enhance French (Salary)	70,000	230,000	559,153	(259,153)
PIF (Elective courses at SJF)	50,000	10,000	63,691	(3,691)
Special Projects				
French Camps	13,000	2,000	16,029	(1,029)
French Resources	46,000	10,000	50,237	5,763
Assessment, Intensive French	15,000	5,000	32,885	(12,885)
Early Immersion, Lead Class				
Cultural Activities	12,000	3,000	14,283	717
Highschool, Additional Courses				
Professional Development	31,000	9,000	77,472	(37,472)
Consultant	80,000	140,000	228,277	(8,277)
Total	422,000	494,000	1,263,714	(347,714)



Yellowknife District No. 1 Education Authority

(the Authority)

Report on Activities of Specific Programs

Statement 9

Aboriginal Languages

For the periods and year ended June 30,

**2015
\$**

Secretary of State (Heritage Canada)

REVENUE

Contribution from federal government

60,000

EXPENDITURES

Salaries and benefits

114,622

114,622

Surplus (deficit)

(54,622)



Yellowknife District No. 1 Education Authority

(the Authority)

Report on Activities of Specific Programs

Statement 10

Student Success Initiative Projects

For the year ended June 30,

2015
\$

Revenue

Government of the Northwest Territories
Deficit from Prior Years
Deficit Rollover 2014/15

123,000
(66,799)
30,976

Total revenue

87,177

Expenses

Salaries/Wages

Facilitator fees (including per diems)
Substitute teacher wages

10,475
57,464

Travel

Facilitator travel
Staff Travel

1,266
4,401

Workshop expenses

Refreshments
Resources
Miscellaneous (Stationery)

332
255
12,984

Total expenses

87,177

Deficit

-



June 30, 2015

1. Nature of the Organization

The Yellowknife District No. 1 Education Authority (the "Authority"), was established by the *Education Act* of the Government of the Northwest Territories (GNWT). Its purpose is to administer and maintain the standards of education programs defined under the *Education Act* in the City of Yellowknife.

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

Section 81 of the *Education Act* outlines the powers of a Board of Education which for the Authority includes all aspects of operation and management relating to Public Education within the boundaries of the City of Yellowknife. The Board is the lowest (and sole) level of government exercising oversight responsibility. The financial statements of the Authority are not included in the financial statements of the City of Yellowknife as the Authority trustees are a separate governing body that is not under the control of the City of Yellowknife. The City of Yellowknife, however, does collect and remit property taxes requisitioned by the Board.

2. Significant Accounting Policies

a) Basis of Accounting

The consolidated financial statements of the Authority have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

The Authority uses fund accounting to separate transactions between its Operating fund surplus, Investment in tangible capital assets and decentralized budget accumulated surplus.



June 30, 2015

2. Significant Accounting Policies (Continued)

Operating Fund Surplus

The Operating fund surplus is the general operating fund of the Authority in which all transactions concerned with current operations are recorded. Substantially all territorial, local (primarily property tax), and other operating revenue is accounted for in the Operating fund surplus. In accordance with accounting principles that are considered appropriate for organizations of this type, tangible capital assets acquired and debenture debt repayment that are financed with operating funds are treated as expenditures in the Operating fund surplus and then transferred to the Investment in tangible capital asset fund. The Operating fund also accounts for expenditures and contributions to or from other funds (transfers) which provide for day-to-day operations. In summary, the Operating fund surplus is used to account for all financial activities except those accounted for in the Investment in tangible capital assets fund and decentralized budget accumulated surplus.

Investment in Tangible Capital Assets

Investment in tangible capital assets is used to account for financial transactions related to the acquisition of tangible capital assets in excess of \$50,000.

Properties are carried at cost at the date of acquisition and amortization is recorded in the accounts. The cost of additions and repayment of debentures or other long-term debt is charged to Investment in tangible capital assets. This results in a corresponding increase in the equity in tangible capital assets.

Decentralized Budget Accumulated Surplus

The decentralized budget accumulated surplus represents specific amounts eligible for carry-over to subsequent years for each school.

b) Cash and Cash Equivalents

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



June 30, 2015

2. Significant Accounting Policies (Continued)

c) Financial Instruments

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

Financial assets measured at amortized cost include cash, accounts receivable, other accounts receivable, and due from Government of Canada.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities, and payroll liabilities

Financial assets measured at fair value include portfolio investments.

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.



June 30, 2015

2. Significant Accounting Policies (Continued)

d) Non-financial Assets

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

e) Tangible Capital Assets

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.



June 30, 2015

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.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

2. Significant Accounting Policies (Continued)

Local Tax Revenue:

The *Education Act of the Northwest Territories*, by virtue of Section 136(2), empowers a Board of Education to determine the amount, after taking into consideration territorial grants and other revenue, that is to be requisitioned from the municipality within the territory under the jurisdiction of the Board. This requisitioned amount is one portion of the property tax paid annually by property owners. The City of Yellowknife is advised subsequent to the adoption of the budget of the amount of the requisition of the Authority and is responsible for the collection of taxes.

Other Contributions:

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

Revenue from rentals is earned as the facilities are used. Other revenue is recorded as the service is provided and receipt is reasonably assured.

Deferred Revenue:

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

Investment Income:

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



June 30, 2015

2. Significant Accounting Policies (Continued)

School Funds

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

g) Infrastructure Funding

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

h) Budget Data

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

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

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

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

This annual budget includes estimates of revenue and expenditures for the Operating fund surplus (deficit) along with estimates of source and application for the Investment in tangible capital assets fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Board.

The budget may be amended within a given fiscal year in accordance with Board policy, regulations and approved budget procedures. The budget data presented in the financial statements reflects the amended budget for the fiscal year, and therefore, includes any amendments that may have been made during the year. Schools carry forward surplus or deficit amounts from their school budgets.



June 30, 2015

2. Significant Accounting Policies (Continued)

i) Measurement Uncertainty

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

j) Inventories Including Materials and Supplies

Supplies inventory held for consumption or use are recorded at the lower of historical cost and replacement cost.

k) Payroll Liabilities

Payroll costs for teachers are accrued for July and August.

l) Post-employment benefits, compensated absences and termination benefits

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

m) Special Purpose Funds

School activity funds which are fully controlled by the Authority with respect to when and how the funds available can be disbursed are included. 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.



June 30, 2015

2. Significant Accounting Policies (Continued)

n) Fund Accounting

The Authority uses fund accounting to separate transactions.

The Operating Fund accounts for the Authority's operating and administrative activities.

The Investment in Tangible Capital Assets reports the transactions related to tangible capital assets.

The Decentralized Surplus is the operating surpluses retained by the individual schools.

The Capital Fund Reserve is funding set aside by the Authority for any repairs or maintenance to the district assets.

o) Impact of the Change in Accounting Policy

Effective July 1, 2014, the Authority adopted Section PS 3260, *Liability for Contaminated Sites* Issues by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organization reporting under Canadian public sector accounting standards about how to account for and report a liability which is association with remediation of a contaminated site. The change in accounting policy has been applied prospectively.

There have not been any adjustments to the financial statements as a result of the adoption of PS3280 but has resulted in additional disclosures.



June 30, 2015

3. Future Accounting Changes

Related Party Transactions: Inter-entity Transfer Valuations (PS3420)

Under section PS 3420, Yellowknife Education District No.1 will be required to report any inter-entity transfer valuations on the financial statements. This new section is not required until April 2017. Management's opinion is that this will have little impact on the presentation of the financial statements.

Student Activity Funds

Under direction from the Government of Northwest Territories - Department of Education, Culture and Employment, student funds may be required to reported on the consolidated financial statements of Yellowknife Education District No. 1 in the future.

4. Cash (Bank Indebtedness)

	2015	2014
	\$	\$
Cash (Bank indebtedness)	(45,244)	1,990,654

The cash is held in a bank account with RBC and is invested with the GNWT's investment pool. Bank indebtedness consists of cheques written in excess of the bank balance.

5. Special Purpose Funds

The Authority does not have special purpose funds.

6. Restricted Assets

The Authority does not have restricted assets.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

7. Portfolio Investments

	2015 \$	2014 \$
GIC Investment with CIBC (interest rate range from 1.7% to 1.77% and maturity range from November 18, 2015 to April 17, 2017)	4,158,886	4,026,123
GIC Investment with RBC Dominion Securities (interest rate range from 1.8% to 2.04% and maturity range from November 4, 2015 to November 17, 2016)	2,024,220	2,139,287
	6,183,106	6,165,410

The investments are recorded at fair market value plus any interest earned to June 30, 2015. The fair market value at June 30, 2015 is equal to the cost.

8. Accounts Receivable

	2015 \$Net	2014 \$Net
South Slave DEC	15,271	-
Yellowknives Dene First Nation (Kalemi Dene School)	807,002	286,305
Dettah District Education Authority (Kaw Tay Whee School)	397,082	167,577
Commission Scolaire Francophone Territories Du Nord Ouest	14,895	14,380
Department of Education, Culture and Employment	92,326	161,405
Department of Health and Social Services	8,741	2,494
Trade Receivables	168,755	119,741
Total	1,504,072	751,902

Allowance for doubtful accounts at year end was \$nil.

9. Inventories

Inventory consists of computer equipment held for use for the 2015/2016 school year.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

10. Accounts Payable and Accrued Liabilities

	2015	2014
	\$	\$
Aurora College	-	1,000
Dettah DEA (Kaw Tay Whee School)	1,000	1,859
Accrued interest	12	12
Damage deposits	28,798	28,001
Trades payable	401,512	314,558
WSCC	860	10,000
	432,182	355,430

11. Deferred Revenue

Deferred revenue consists of contributions or revenue received from contributors for expenditures not yet incurred.

	2015	2014
	\$	\$
City of Yellowknife - tax requisition received in advance	-	1,426,087
GNWT - Active After School Program	-	3,250
GNWT ECE - Preschool	12,000	-
GNWT ECE - TLC	60,000	-
Other	-	3,750
	72,000	1,433,087

12. Contribution Repayable

The Authority does not have any contribution repayable.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

13. Due from (to) the Government of Canada

Receivables	2015	2014
	\$	\$
GST Receivable	96,833	101,025
Projects on behalf of the Gov't of Canada	-	-
Miscellaneous Receivables	-	-
	96,833	101,025
<hr/>		
Payables		
GST Payables	-	-
Advances for Projects on behalf of the Gov't of Canada	-	-
Miscellaneous Payables	-	-
	-	-
<hr/>		

14. Capital Lease Obligations

The Authority does not have any Capital Lease Obligations.



June 30, 2015

15. Pension

During the year the Authority transferred the pensions for the members of the Northwest Territories Teachers' Association based on the negotiated collective agreement to the Northern Employee Benefits Service Pension Plan (NEBS) effective September 2014.

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 \$5,306,506. 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 \$159,705 for January 2015, and \$156,872 for January 2014. The maximum monthly contributions is \$2,129 for January 2015, and \$2092 for January 2014.

NEBS is an employer owned program and as such the Authority will be liable for its portion of any shortfall. The Plan serves 2,354 Employee Members and 85 Employer Members (total active, disabled and on leave 1376).

As of January 1, 2015, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be \$988,700 on a going concern valuation basis. The Plan had a solvency ratio deficiency of \$71,296,000 and a solvency ratio of 67%. 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, 2014, the NEBS Pension plan had an accumulated surplus of \$15,474,029.

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 will be enacted October 1, 2015. NEBS is now operating under Bill 12.

16. Long-Term Debt

The Authority does not have long-term debt.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

17. Leave and Termination Benefits

Under conditions of employment, teachers and other staff employed by the Authority may qualify for resignation and retirement benefits and assistance with removal expenses. The amount recorded is an estimated value based on experience. Amounts are not funded by the Department until the funds are disbursed by the Authority.

	2015	2014
	\$	\$
Leave and termination benefits - current	537,273	461,397
Leave and termination benefits - non-current	1,315,992	1,451,285
	1,853,265	1,912,682
Comprised of:		
Removal	847,334	663,309
Annual and compensatory sick leave	311,565	639,587
Severance and sick leave (excluded)	472,336	391,417
Severance (USWA)	100,755	88,769
Non-moving accrual (NWTTA)	121,275	129,600
	1,853,265	1,912,682

18. Trust Assets Under Administration

The Authority does not have any trust assets under administration.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

19. Tangible Capital Assets

	Cost \$	Accumulated Amortization \$	2015 Net Book Value \$	2015 Net Book Value \$
Land and improvements	1,299,476	-	1,299,476	1,299,476
School buildings				
Ecole Sir John Franklin	2,253,435	(942,967)	1,310,468	1,270,967
William McDonald	7,078,328	(5,839,621)	1,238,707	1,415,666
Mildred Hall	11,009,651	(5,476,191)	5,533,460	5,808,701
Range Lake North	8,215,859	(4,518,722)	3,697,137	3,902,533
N. J. Macpherson	5,329,162	(3,679,916)	1,649,246	1,785,704
Ecole J. H. Sissons	2,436,769	(2,436,769)	-	-
	36,323,204	(22,894,186)	13,429,018	14,183,571
Other buildings				
Administration office	1,070,827	(588,955)	481,872	508,643
Nordic Arms residence	595,205	(595,205)	-	-
Total land and buildings	39,288,712	(24,078,346)	15,210,366	15,991,690
Equipment and furnishings				
Schools	4,427,048	(4,133,290)	293,758	445,452
Playgrounds	149,972	(149,972)	-	-
Residences	64,045	(64,045)	-	-
Administration office	322,132	(322,132)	-	-
Vehicles	246,532	(205,363)	41,169	46,315
	5,209,729	(4,874,802)	334,927	491,767
	44,498,441	(28,953,148)	15,545,293	16,483,457

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

20. Prepaid Expenses

	2015	2014
	\$	\$
Insurance	32,450	12,301
Professional Development	9,250	7,175
Materials and Supplies	108,783	116,110
Licenses	19,938	31,734
	170,421	167,320



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

21. Accumulated Surplus/ Deficit

A consolidated statements of funds and surplus and reserves have been prepared as follow:

Details of Funds

For the year ended June 30,	2015	2014
	\$	\$
OPERATING FUND		
Balance, beginning of year	1,174,553	1,004,429
Operating deficit (Statement 2)	(888,705)	(930,147)
Transfer (to) from Capital Fund (budget \$70,000)	(103,774)	-
Transfer (to) from Investment in Tangible Capital Assets	1,041,938	1,163,040
Transfer (to) from Playground/Recreational Equipment Fund Reserve	-	10,060
Transfer (to) from Decentralized Surplus	128,498	(72,829)
Balance, end of year	1,352,510	1,174,553
INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Balance, beginning of year	16,483,457	17,646,497
Acquisition of tangible capital assets	103,774	-
Amortization	(1,041,938)	(1,163,040)
Balance, end of year	15,545,293	16,483,457



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

21. Accumulated Surplus/ Deficit (Continued)

Details of Surplus and Reserves

For the year ended July 1 through June 30,	2015	2014
	\$	\$
DECENTRALIZED SURPLUS		
Balance, beginning of year	370,945	298,116
Transfer (to) from Operating Fund	(128,497)	72,829
Balance, end of year	242,448	370,945
CAPITAL FUND RESERVE		
Balance, beginning of year	904,165	904,165
Balance, end of year	904,165	904,165
PLAYGROUND/RECREATIONAL EQUIPMENT FUND RESERVE		
Balance, beginning of year	-	(10,060)
Transfer (to) from schools	-	10,060
Balance, end of year	-	-

22. Capital Advances

The Authority does not have any Capital Advances.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

23. GNWT Assets Provided at no cost

The following assets were provided to the Authority by the GNWT at no cost.

	Cost	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
	\$	\$	\$	\$
Ecole Sir John Franklin	25,965,232	22,664,462	3,300,770	5,186,925
Ecole Sir John Franklin portable classrooms	419,724	285,977	133,747	144,237
N.J. Macpherson	1,413,831	273,698	1,140,133	1,175,486
	<u>27,798,787</u>	<u>23,224,137</u>	<u>4,574,650</u>	<u>6,506,648</u>
Deferred capital contributions				
Ecole Sir John Franklin	(1,442,500)	(1,211,098)	(231,402)	(363,631)
	<u>26,356,287</u>	<u>22,013,039</u>	<u>4,343,248</u>	<u>6,143,017</u>

Rent expense of \$1,799,769 (2014 - \$1,799,769) was offset by a grant in-kind.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

24. Contractual Obligations (Commitments)

The Authority has a contract with Cardinal Coach Lines Limited for student transportation. The Authority is invoiced monthly and the amounts vary depending on a number of factors. The contract expires in June 2018.

The Authority leases space from Route 51. The contract expires in June 2017

The Authority has a collective bargaining agreement with the NWT Teachers Association for teachers, specialists and education assistance which expires August 31, 2016.

The Authority has a collective bargaining agreement with the United Steelworkers for support staff which expires on June 30, 2016.

The Authority has a Xerox equipment lease with annual payments of \$40,946.09 plus maintenance expiring in September 24, 2016. The Authority also leases from Lenovo computers with annual lease payments of \$64,232.01 expires December 2018.

	Expires in Fiscal Year	2016 \$	2017- 2019 \$	Total \$
Commitments:				
Commercial and Residential Leases	2017	37,800	37,800	75,600
Equipment Leases	2019	116,135	135,430	251,565
Operational Leases (Bussing)	2018	350,000	700,000	1,050,000
Total		503,935	873,230	1,377,165

25. Contingencies

The Authority does not have contingencies.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

26. Related Parties

Transactions with Related Parties and balances at year-end not disclosed elsewhere in the financial statements are disclosed in this note.

	2015 \$Net	2014 \$Net
Accounts Payable:		
Dettah District Education Authority	1,000	1,859
Aurora College	-	1,000
Accounts Receivable:		
South Slave DEC	15,271	-
Yellowknives Dene First Nation (Kalemi Dene School)	807,002	286,305
Dettah District Education Authority	396,182	167,577
Commission Scolaire Francophone Territoires Du Nord Quest	14,895	14,380
Department of Education, Culture and Employment	92,326	161,405
Department of Health and Social Services	8,741	2,494

27. Budget Data

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

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

The budget figures presented are those approved by the Trustees of the Authority on June 10, 2014 and have not been audited.

28. Economic Dependence

The Authority is economically dependent on the Government of the Northwest Territories to provide funding for continued operations. If the funding arrangements were to change management is of the opinion that the Authority's operations would be significantly affected.



June 30, 2015

29. Financial Instruments

Financial instruments consist of recorded amounts of cash, portfolio investments, due from GNWT, due from Government of Canada and other accounts receivable which will result in future cash receipts, as well as accounts payable and accrued liabilities, and wages and employee deductions payable which will result in future cash outlays.

The Authority is exposed to the following risks in respect of certain of the financial instruments held:

a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Authority is exposed to credit risk from funding agencies, recipients of services and preschool clients. The Authority has a concentrated risk of credit from two other school districts whose funding also comes from the Department of Education, Culture, and Employment. At June 30, 2015, receivables from two organizations comprised approximately 90% 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 Yellowknives Dene First Nation who administer 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, 2015, 22% of other account receivable was non-current which represents \$300,215 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.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

29. Financial Instruments (Continued)

c) Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet all cash outflow obligations as they come due. The Authority mitigates this risk by monitoring cash activities and expected outflows through budgeting and maintaining an adequate amount of cash to cover unexpected cash outflows should they arise. Some of the Authority's financial assets and most of the financial liabilities at March 31, 2015 mature within the next six months. Total financial assets \$7,784,011 (2014 - \$9,008,991) of which \$4,145,862 (2014 - \$2,929,498) are not expected to mature within one year. Total financial liabilities are \$5,410,116 (2014 - \$5,293,561). The authority has disclosed future financial liabilities and commitments in Note 13.

30. Expenditures By Object

	2015 Budget \$	2015 Actual \$	2014 Actual \$
Amortization	-	1,041,943	1,163,041
Compensation	26,046,973	25,894,553	25,913,905
Other	5,280,591	3,766,173	5,659,276
	31,327,564	30,702,669	32,736,222

31. Subsequent Events

There were no material subsequent events that have taken place between June 30, 2015 and the date the audit report was signed.

32. Comparative Figures

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



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

33. ECE Other Contributions

	2015	2014
	\$	\$
Student Success Initiatives	123,000	123,000
TLC Vote 4	60,000	-
Self Regulation Project	20,000	-
Resource Travel and PD	13,750	-
Environmental Remediation	-	52,393
	216,750	175,393

34. GNWT Other Contributions

	2015	2014
	\$	\$
Government of the Northwest Territories:		
Department of Human Resources	46,875	-
Department of Municipal and Community Affairs	-	8,000
	46,875	8,000



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Consolidated Financial Statements

June 30, 2015

35. Payroll Liabilities

Teachers' salaries and benefits (NWTTA) earned prior to the end of the fiscal year that are payable during the months of July and August, following the school term, are accrued as follows:

	2015 \$	2014 \$
NWTTA Payable at end of July	1,535,964	1,509,910
NWTTA Payable at end of August	1,543,461	1,515,539
	3,079,425	3,025,449

36. Statement of Remeasurement Gains and Losses

The Authority does not have remeasurement gains or losses.

37. Other Revenue

Other revenue consists of contributions or revenue received from contributors for school programs and preschool services.

	2015 \$	2014 \$
Pancake Donation	-	427
Superintendent Services	133,593	65,729
Range Lake North preschool	113,483	235,011
Mildred Hall preschool	78,368	84,371
J.H.Sissons preschool	188,223	272,888
Other funding and donations	51,202	59,132
	564,869	717,558



June 30, 2015

38. Liability for Contaminated Sites

The Authority has adopted PSAS Section PS 3260 - Liability for contaminated sites.

An obligation for remediation is recognized as a liability when all criteria below are satisfied:

- a) and environment standard exists;
- b) contamination exceeds the environment standard
- c) the Authority:
 - i) is directly responsible; or
 - ii) accepts responsibility;
- d) it is expected that the future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The Authority has identified possible environmental liabilities at William MacDonald School and Range Lake North School that have underground fuel tanks. The Authority will undertake an environmental assessment to determine if an environmental liability exists during the 2015/2016 school year.

39. Correction of accounting error

The consolidated statement of operations of the Authority has been restated to include the in-kind grant received from the Government of the Northwest Territories. During the 2014 fiscal year, ECE allowed the Authority to use schools owned by the GNWT for no consideration. The effect of the change is to increase grant in-kind and increase rent expense. There is no net impact to the consolidated statement of operations as a result of this restatement

Consolidated Statement of Operations for the year ended June 30, 2014:

	Previously Reported	As Restated	Change
	\$	\$	\$
Increase grand in-kind	-	1,799,769	1,799,769
Increase rent expense	-	1,799,769	1,799,769
Increase in operating deficit	-	-	-

Financial Statements of
Tlicho Community Services Agency
Behchoko, NT
For the year ended March 31, 2016

Tlicho Community Services Agency

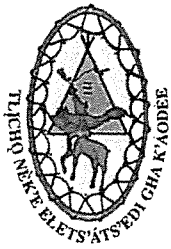
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Tlicho Community Services Agency

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Management Discussion Analysis March 31, 2016

Child and Family Services

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Education Programs

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Health Programs

Phone: 867-392-3017
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Financial and

Administrative Services

Phone: 867-392-3011
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The Tlicho Community Services Agency (TCSA) is a unique organization in the Northwest Territories. It is a Government of the Northwest Territories Agency, while incorporating the values and principles of the Tlicho people.

Our mission statement “Strong Like Two People” was developed to ensure that the TCSA is committed to the development of a continuum of care that will return control of education, health and social programs and services to the people of our communities, support them in the task of strengthening their families, promote the knowledge and skills they need to survive today and model the values they need to live in harmony with their families, our communities and our land.

The Agency is also unique in that it is the only agency in the Northwest Territories to deliver both the health and social services programs along in conjunction with the education programs. All the other regions have separate Agencies for the delivery of health and education programs. The advantage of the TCSA model is that we are able to more effectively link the delivery of the programs.

The TCSA serves a population of approximately three thousand people (3,000) in the communities of Behchoko, Whati, Gameti and Wekweeti. The TCSA delivers its programs through five schools, 4 health centres in the region and Long Term Care Facility located in Behchoko.

The Agency is had an annual budget in fiscal 2015-2016 of just over \$31 million, a dedicated workforce of approximately 220 employees with a total payroll budget of \$ 25 million.

For the year, the TCSA had an operating deficit in health of \$ 515,000, thereby increasing the accumulated operating deficit to \$1.44 million. This represents approximately 3.3 % of the total health budget.

The operating deficit in health for 2015-2016 can be attributed to a number of factors:



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Education Programs

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Health Programs

Phone: 867-392-3017
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Financial and

Administrative Services

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Health and Social Services

Program Delivery Costs

- (1) The Agency is underfunded for the delivery of Child and Family Services. Spending on social programs and foster care increased in 2015 – 2016 and was over budget by almost \$ 450,000. This spending was required due to an increase in the number of Children in Care.
- (2) The costs to operate the health centres in our three main communities continue to increase. Overtime / standby costs continue to run over budgeted amounts by \$440,000. The Agency is taking steps to reduce costs.
- (3) The ongoing costs to operate our Ambulance Services continue to run over budget. In 2015-2016 total expenses for the category was \$ 1,027,429, or \$ 242,000 over budget. These costs were partially offset by some recoveries from NIHB.

Administrative Costs

- (1) The cost of recruitment and relocation of TCSA staff continues to exceed budget, for 2015-2016 these costs were \$ 279,000 against a budget of only \$ 185,000, so we are \$ 94,000 overspent. These costs are invoiced to us each quarter by the Human Resource department in Yellowknife.
- (2) Cost for Information Systems in 2015-2016 was over budget by \$ 72,000, due mainly to some one-time costs to implement Electronic Medical Records in Behchoko, which required some investment in information technology infrastructure. In future, with the transfer of these responsibilities to the Technology Service Centre in Yellowknife, we expect revenue to more closely match expenditures.

Education

We have an operating deficit at March 31, 2016 of \$ 1,179,576. The TCSA had an accumulated surplus of \$2,528,315 at June 30, 2015, and the operating deficit has been



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While this audit includes expenses for education from April to March, we perform an additional audit for education which runs for the school year of July 1 to June 30, and we will report to the Board of Directors and the department of education our complete school year results at that time.

Child and Family Services

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Education Programs

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Health Programs

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Financial and

Administrative Services

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Kevin Armstrong
Chief Executive Officer
Tłichò Community Services Agency



Tlicho Community Services Agency

Management Responsibility Letter

To the Ministers' of Health and Social Services and Education, Culture and Employment

Management Responsibility for Financial Reporting for the year ended
March 31, 2016

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 hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of Tlicho Community Services Agency have been conducted with the statutory powers of the Health Authority and Divisional Education Council. The operations and administration of the Health and Education as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Health Authority Board and Divisional Education Council. Any non-compliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts 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 and employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards with its jurisdiction.

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

Approved and confirmed on behalf of the Tlicho Community Services Agency

Kevin Armstrong, CEO
Tlicho Community Services Agency
June 29, 2016

Dq Nàke Lanì Nàts'etso · Strong Like Two People



VERY COOPER & CO. LTD.

Certified General Accountants

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INDEPENDENT AUDITORS' REPORT

To the Ministers of Health and Social Services and Education, Culture and Employment Government of the Northwest Territories

Report on the Financial Statements

We have audited the accompanying financial statements of the Tlicho Community Services Agency, which comprise the Statement of Financial Position as at March 31, 2016, and the Statements of Operations, Changes in Net Financial Resources and Cash Flow for the year then ended. We have also audited the revenue and expenditures of programs funded through contribution agreements by the Departments of Health and Social Services which total \$250,000 or more as listed in Schedule A.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

The GNWT is responsible for the calculation and distribution of the salaries and wages that appear on the statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the Agency's records.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2016 and the results of operations, net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards. Furthermore, these statements present fairly in all material respects, the funding and expenditures of all Health and Social Services funded programs in \$250,000 or more in Schedule A for the year ended March 31, 2016 in accordance with the provisions established by the individual contribution agreements.

Auditors' Report Cont'd

Report on Other Legal and Regulatory Requirements

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

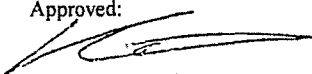
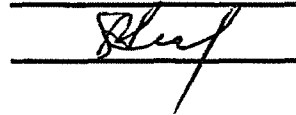
Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Certified General Accountants
Yellowknife, NT

June 29, 2016

**Tlcho Community Services Agency
Statement of Financial Position**

As at March 31, 2016

	March 31, 2016	March 31, 2015
Financial Assets		
Cash and Cash Equivalents (Note 4)	\$ 2,467,472	\$ 3,557,640
Accounts Receivable (Note 8)	349,987	593,987
	2,817,459	4,151,627
Liabilities		
Accounts Payable (Note 10)	659,943	828,148
Wages and Benefits Payable - GNWT (Note 10)	1,006,949	715,464
Employee Future Benefits (Note 16)	1,836,444	1,647,145
Deferred Revenue (Note 11)	219,823	266,195
	3,723,159	3,456,953
 Net Financial Assets (Debt)	 (905,700)	 694,674
Non Financial Assets		
Inventory held for use (Note 9)	61,000	61,000
Prepaid Expenses (Note 19)	3,373	-
Tangible Capital Assets (Note 18)	169,389	217,926
	233,762	278,926
 Accumulated Surplus (Deficit)- per page 8	 \$ (671,938)	 \$ 973,601
 Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		
Approved:		
	_____ Chief Executive Officer	
	_____ Director of Finance	

Tlicho Community Services Agency
Statement of Operations
For the year ended March 31, 2016

	Budget (Unaudited)	Actual 2016	Actual 2015
Revenue			
Health & Social Services - per page 5	\$ 15,399,000	\$ 15,776,050	\$ 14,619,184
Education - per page 6	16,744,544	17,440,156	17,289,164
Other Operations - per page 7	300,000	322,008	273,399
	32,443,544	33,538,214	32,181,747
Expenditure			
Health & Social Services - Compensation	11,297,974	12,457,450	11,326,449
Health & Social Services - Other	3,976,027	3,833,299	3,670,054
Total Health and Social Services - per page 5	15,274,001	16,290,749	14,996,503
Education - Compensation	15,563,472	15,414,741	14,372,992
Education - Other	2,788,004	3,204,991	3,186,175
Total Education - per page 6	18,351,476	18,619,732	17,559,167
Other Operations - Compensation	-	-	-
Other Operations - Other	300,000	273,272	254,772
Total Other Operations - per page 7	300,000	273,272	254,772
	33,925,477	35,183,753	32,810,442
Operating Surplus / (Deficit)	\$ (1,481,933)	\$ (1,645,539)	\$ (628,695)
Unfunded Items			
Change in employee leave and termination benefits	-	189,299	64,036
Surplus / (Deficit) Before the Following		(1,456,240)	(564,659)
Rent Expense - GNWT Assets provided at no cost (note 22)		155,177	144,188
Grant-In-Kind - GNWT Assets Provided at no cost (note 22)		(155,177)	(144,188)
Surplus / (Deficit) After Unfunded Items		\$ (1,456,240)	\$ (564,659)

**Tlicho Community Services Agency
Health and Social Services
Statement of Operations
For the year ended March 31, 2016**

	Budget (Unaudited)	Actual 2016	Actual 2015
Revenue			
Contributions from GNWT (Schedule A)	\$ 15,013,000	\$ 15,125,077	\$ 13,967,456
Contributions from other sources (Schedule C)	-	-	-
Interest Income	30,000	33,970	42,206
Other Income (Schedule D)	70,000	116,464	102,040
Recoveries (Schedule B)	286,000	482,123	507,482
Recoveries of prior years' expenses		18,416	-
	15,399,000	15,776,050	14,619,184
Expenses			
Administrative and Support Services	1,143,670	1,328,922	1,256,986
Ambulatory Care Services	792,586	1,027,429	905,709
Physician Services	785,000	785,783	766,416
Community Health Programs	6,249,176	6,641,444	6,119,173
Community Social Programs	6,303,568	6,507,169	5,948,220
	15,274,000	16,290,748	14,996,503
Operating Surplus / (Deficit)	125,000	(514,697)	(377,319)
Unfunded Items			
Change in employee leave and termination benefits		189,299	64,036
Surplus / (Deficit) Before the Following		(325,399)	(313,283)
Rent Expense - GNWT Assets provided at no cost (note 22)		155,117	144,188
Grant-In-Kind - GNWT Assets Provided at no cost (note 22)		(155,117)	(144,188)
Annual Surplus / (Deficit)	\$	(325,399)	\$ (313,283)
Opening accumulated (deficit)	\$	(922,452)	\$ (545,133)
Closing accumulated (deficit)	\$	(1,437,149)	\$ (922,452)

**Tlicho Community Services Agency
Education
Statement of Operations
For the year ended March 31, 2016**

	Budget (Unaudited)	Actual 2016	Actual 2015
OPERATING FUND - REVENUE			
Government of the Northwest Territories			
Regular Contribution	\$ 16,744,544	\$ 16,623,289	\$ 16,196,150
Other ECE	-	-	215,435
	<u>16,744,544</u>	<u>16,623,289</u>	<u>16,411,585</u>
BOARD GENERATED FUNDS			
Other contributions and miscellaneous		52,154	195,996
Investment income		33,970	42,206
Projects Revenue (Schedule L.1)		730,742	639,377
	<u>-</u>	<u>816,867</u>	<u>877,579</u>
TOTAL OPERATING REVENUE	<u>16,744,544</u>	<u>17,440,156</u>	<u>17,289,164</u>
OPERATING FUND EXPENSES - per schedule L			
School Programs	11,473,971	11,649,147	10,833,763
Inclusive Schooling	3,403,608	3,158,777	2,985,898
Operations and Maintenance	200,000	151,360	164,641
Administration	1,333,799	1,255,049	1,271,010
Aboriginal Language/Cultural Programs	1,940,099	1,659,132	1,659,311
Projects Expenditures (Schedule L.1)	-	746,267	644,544
TOTAL EXPENSE	<u>18,351,477</u>	<u>18,619,732</u>	<u>17,559,167</u>
EXCESS REVENUE	<u><u>\$ (1,606,933)</u></u>	<u><u>\$ (1,179,576)</u></u>	<u><u>\$ (270,003)</u></u>

Tlcho Community Services Agency
Other Operations
Statement of Operations
For the year ended March 31, 2016

Revenue	Budget (Unaudited)	Actual 2016	Actual 2015
Other Revenue	\$ -	\$ -	\$ 767
Recoveries Housing	300,000	322,008	272,632
	<u>300,000</u>	<u>322,008</u>	<u>273,399</u>
Expenses			
General Administrative Expenditures			
Leased Property - Housing	300,000	273,272	254,772
	<u>300,000</u>	<u>273,272</u>	<u>254,772</u>
Operating Surplus / (Deficit)	<u>\$ -</u>	<u>\$ 48,735</u>	<u>\$ 18,627</u>

**Tlcho Community Services Agency
Statement of Changes in Net Debt
For the year ended March 31, 2016**

	2016	2015
Annual Surplus (Deficit)	\$ (1,645,539)	\$ (628,695)
Decrease/(Increase) in Inventories held for use	-	-
Decrease (Increase) in Prepaid Expenses	(3,373)	
Amortization of tangible capital assets	48,537	48,536
Increase (Decrease) in Net Financial Resources	<u>(1,600,375)</u>	<u>(580,159)</u>
Opening Net Financial Resources	<u>755,674</u>	<u>1,335,832</u>
Closing Net Debt	<u>(844,701)</u>	<u>755,674</u>
 Accumulated Surplus (Deficit)		
<u>Health and Social Services</u>		
Opening Surplus - Health and Social Services	(922,452)	(545,133)
Current years' surplus (deficit) per page 5	<u>(514,697)</u>	<u>(377,319)</u>
Closing Surplus (Deficit)	<u>(1,437,149)</u>	<u>(922,452)</u>
 <u>Education</u>		
Opening Surplus - Education	1,892,484	2,162,487
Current years' surplus per page 6	<u>(1,179,576)</u>	<u>(270,003)</u>
Closing Surplus	<u>712,908</u>	<u>1,892,484</u>
 <u>General</u>		
Opening Surplus - Other	3,564	(15,062)
Current years' surplus (deficit) per page 7	<u>48,735</u>	<u>18,627</u>
Closing surplus	<u>52,298</u>	<u>3,564</u>
Total Closing Accumulated Surplus (Deficit)	<u>\$ (671,938)</u>	<u>\$ 973,601</u>

**Tlicho Community Services Agency
Statement of Cash Flow
For the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
Cash Provided by (used in) Operating Transactions		
Annual Surplus /(Deficit)	\$ (1,645,539)	\$ (628,695)
Items not affecting cash:		
Change in valuation allowances	\$ -	\$ -
Amortization	48,537	48,537
(Increase) Decrease in due to (from) the Government of Canada		
(Increase) Decrease in Accounts Receivable	244,000	423,535
Increase (Decrease) in Accounts Payable	(168,205)	\$ (275,796)
Increase (Decrease) in Wages and Benefits Payable	291,485	137,697
Increase (Decrease) in Inventory held for use	-	(61,000)
Increase in Employee Future benefits	189,299	\$ 145,434
Increase (Decrease) in Deferred Revenue	(46,372)	(12,397)
Decrease (Increase) Prepaid Expenses	(3,373)	-
Net Cash Provided from Operating Transactions	<u>(1,090,168)</u>	<u>(222,683)</u>
Cash Provided by (used in) Investing Transactions		
Disposition (Acquisition) of Portfolio Investments	-	-
Net Cash Provided by Investing Transactions	<u>-</u>	<u>-</u>
Cash Provided by (used in) Capital Transactions		
Acquisition of Capital Assets	-	-
Net Cash Provided by Capital Transactions	<u>-</u>	<u>-</u>
Cash Provided by (used in) Financing Transactions		
Net Proceeds from (Repayment) of Capital Lease Obligations	-	-
Net Cash Provided by Financing Transactions	<u>-</u>	<u>-</u>
Increase (Decrease) in Cash and Cash Equivalents	(1,090,168)	(222,683)
Cash and Cash Equivalents at Beginning of Year	<u>3,557,640</u>	<u>3,780,324</u>
Cash and Cash Equivalents at End of Year (Note 4)	<u><u>\$ 2,467,472</u></u>	<u><u>\$ 3,557,640</u></u>

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

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.

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 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.

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

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.

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

h) Revenue Recognition

The Agency is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS and ECE. Under the arrangements, the Agency is responsible for the net deficit from operations and is allowed to retain surpluses from core programs. Any capital funding not spent may be retained for future capital purchases. These policies do not apply to contribution agreements, where an accounting of and return of surpluses may be required.

Other revenue is recognized when the service is performed or the goods are provided.

Government transfers

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

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

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

i) Financial Instruments

The Agency classifies its financial instruments at cost or amortized cost.

The Agency's accounting policy for this financial instrument category is as follows:

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

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

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

j) Non-financial assets

Non-financial assets are accounted for as assets by the Agency 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 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. Actual results could differ from these estimates.

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

3. FUTURE ACCOUNTING CHANGES

In March 2015, the Public Sector Accounting Board (PSAB) issued Section PS 3420, "Inter-entity transactions". This new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new Section are:

- (a) under a policy of cost allocation, revenues and expenses are recognized on a gross basis;
- (b) transactions are measured at their carrying amount, except in special circumstances;
- (c) a recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice, and
- (d) the transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.

Assets

In June 2015, the PSAB issued Section PS 3210, "Assets". This new Section provides guidance for applying the definition of assets and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, the reason(s) for this should be disclosed. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Tlicho Community Services Agency is currently assessing the impact of this Section.

4. CASH AND CASH EQUIVALENTS

	<u>2016</u>	<u>2015</u>
Cash	\$2,467,472	\$3,557,640

5. SPECICAL PURPOSE FUNDS

Nil Report

6. RESTRICTED ASSETS

Nil Report

7. PORTFOLIO INVESTMENTS

Nil Report

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

8. ACCOUNTS RECEIVABLE

	Accounts Receivable <u>2016</u>	Allow. For Doubtful Accounts <u>2016</u>	Net <u>2016</u>	Net <u>2015</u>
General	\$ 149,298	\$ 805	\$ 148,493	\$ 182,835
Due from GNWT	167,708	-	167,708	380,874
Hospital related costs due from third parties	-	-	-	-
Workers' Safety and Compensation Commission	1,545	-	1,545	-
Yellowknife Health and Social Services Authority	6,961	-	6,961	-
Stanton Territorial Health Authority	25,280	-	25,280	30,278
	<u>\$ 350,792</u>	<u>\$ 805</u>	<u>\$ 349,987</u>	<u>\$ 593,987</u>

9. INVENTORIES

	<u>2016</u>	<u>2015</u>
Inventory held for use		
Health Centre Supplies	\$ 61,000	\$ 61,000

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2016</u>	<u>2015</u>
Due to GNWT	\$ 134,812	\$ 164,387
Due to Workers Safety and Compensation Commission	-	-
Due to Stanton Territorial Health Authority	23,308	21,987
Due to Yellowknife Health and Social Services Authority	-	21,309
Due to Hay River Health and Social Services Authority	-	11,650
Trade	410,289	524,931
Payable to Gameti School	72,551	83,884
Payable to Wekweeti School	18,983	-
	<u>\$ 659,943</u>	<u>\$ 828,148</u>
Payroll Liabilities		
	<u>2016</u>	<u>2015</u>
Government of the Northwest Territories	<u>\$ 1,006,949</u>	<u>\$ 715,464</u>

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.

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

11. DEFERRED REVENUE (con't)

	<u>2016</u>	<u>2015</u>
Government of the Northwest Territories		
Department of Education, Culture and		
CJBS Breakfast for Learning	\$ 1,700	\$ -
CJBS Breakfast for Learning- High School	8,100	-
CJBS Miscellaneous	37,993	3,807
CJBS Literacy	-	17,541
CJBS - BHP Culture	-	17,435
MEZI Mentorship	-	8,562
MEZI Breakfast for Learning	-	6,341
MEZI BHP Culture	10,277	51,232
MEZI Miscellaneous	10,500	-
MEZI Fundraising	13,295	-
MEZI E Learning	0	44,408
EMES BHP Culture	18,121	19,184
EMES Health Food First	219	-
EMES Breakfast for Learning	-	522
EMES Miscellaneous	17,687	5,181
AAS Miscellaneous	7,525	1,192
AAS Healthy Snack	-	-
AAS Food First	1,196	1,204
AAS BHP Culture	70,288	68,437
AAS Breakfast for Learning	1,832	2,953
JWGS - Literacy	1,368	-
JWGS - Food First	4,018	1,251
JWGS Breakfast for Learning	3,997	3,900
JWGS - Yoga Fitness	777	-
JWGS BHP Culture	0	4,802
JWGS Miscellaneous	9,471	1,750
JWGS Fundraising	1,461	6,495
	\$ 219,823	\$ 266,195

12. CONTRIBUTIONS REPAYABLE

Nil Report

13. DUE FROM AND TO THE GOVERNMENT OF CANADA

Nil Report

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

14. CAPITAL LEASE OBLIGATIONS

Nil Report

15. PENSIONS

Nil Report

16. EMPLOYEE FUTURE BENEFITS

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. 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. Annual leave is payable within one fiscal year. The payments of the other amounts is dependent on employees leaving the Organization.

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

	Education	HSS	<u>2016</u>	<u>2015</u>
Removal	\$ 390,331	\$ 298,874	\$ 689,205	\$ 590,831
Termination	560,313	160,452	720,765	724,496
Leave	100,225	326,249	426,474	331,818
	<u>\$ 1,050,869</u>	<u>\$ 785,574</u>	<u>\$ 1,836,444</u>	<u>\$ 1,647,145</u>

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 2016 (unaudited)	Net book Value 2015 (unaudited)
2013 Ford F450 Ambulance	166,443	71,333	95,110	118,888
School Buses	173,318	99,039	74,279	99,039
Total	<u>\$ 339,761</u>	<u>\$ 170,372</u>	<u>\$ 169,389</u>	<u>\$ 217,926</u>

19. PREPAID EXPENSES

	<u>2016</u>	<u>2015</u>
Prepaid course fees	\$ 3,373	\$ -

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

20. ACCUMULATED SURPLUS (DEFICIT)

For management purposes, the Department of Education recalculates surplus as shown below.

	<u>2016</u>		<u>2015</u>
Surplus - Education as reported on statement Net Financial Resources page 8	\$ 712,908	\$	1,892,484
Infrastructure (Deficit) L-2			(25,815)
Termination and ultimate removal benefits (Note 6)	950,644		914,475
	<u>\$ 1,663,552</u>	<u>\$</u>	<u>2,781,145</u>

21. CAPITAL ADVANCE FROM THE GNWT

Nil Report

22. 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	Accumulated	Net book Value	Net book Value
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>2016</u>	<u>2015</u>
			<u>(unaudited)</u>	<u>(unaudited)</u>
Buildings	\$ 3,845,106	\$ 2,829,640	\$ 1,015,466	\$ 1,136,354
Leasehold	252,800	176,400	76,400	88,958
Mobile Equipment	325,112	113,196	211,916	79,662
Total	<u>\$ 4,423,018</u>	<u>\$ 3,119,236</u>	<u>\$ 1,303,782</u>	<u>\$ 1,304,974</u>

The TCA information was provided by the Government of the Northwest Territories.

Amortization expense 2015 - 2016 \$155,117 (2014-2015 \$144,188)

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

23. CONTRACTUAL OBLIGATIONS (aka Commitments)

The Agency has entered into agreements for, or is contractually committed to, the following expenses payable subsequent to March 31, 2016.

	<u>Expires in Fiscal Year</u>	<u>2017</u>	<u>2018 and thereafter</u>	Total
Residential Leases	2021-2022	\$236,400	\$1,191,000	\$1,427,400
Equipment Leases	2017-2021	45,731	52,839	98,570
		<u>\$282,131</u>	<u>\$1,243,839</u>	<u>\$1,525,970</u>

24. CONTINGENT LIABILITIES

In the normal course of business, 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.

25. PRIOR YEAR FUNDING

Nil Report

26. BUDGET

Budget figures are the opening budgets that were approved 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.

27. ECONOMIC DEPENDANCE

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

Tlicho Community Services Agency
Notes to the Financial Statements
March 31, 2016

28. SUBSEQUENT EVENTS

April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT 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 THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation.

29. COMPARATIVE FIGURES

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

30. RELATED PARTIES

Related Party 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.

	<u>2016</u>	<u>2015</u>
Due from Related Parties		
Government of the Northwest Territories		
Department of Finance	\$101,037	\$358,341
Department of Human Resources		
Department of Health and Social Services	61,526	5,231
Department of Education, Culture and Employment	5,145	17,303
Stanton Territorial Health Authority	25,280	30,278
Yellowknife Health and Social Services Authority	6,961	-
Workers' Safety and Compensation Commission	1,545	-
	\$201,494	\$411,153
Due to Related Parties		
Government of the Northwest Territories		
Department of Finance	\$48,844	99,872
Department of Human Resources	2,048	1,873
Department of Health and Social Services	57,676	42,728
Department of Education, Culture and Employment	25,498	-
Department of Public Works	746	4,414
Department of municipal & Community Affairs	-	15,500
Gameti School	72,551	83,884
Hay River Health and Social Services	-	11,650
Stanton Territorial Hospital Authority	23,308	21,987
Wekweti School	18,983	-
Yellowknife Health and Social Services Authority	-	21,309
	\$249,654	\$303,217
Department of Finance - Payroll Liabilities	1,006,949	\$ 715,464

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.

Tlcho Community Services Agency
Notes to the Financial Statements
March 31, 2016

31. FINANCIAL INSTRUMENTS

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

(i) Credit risk

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

The Agency holds its cash, special purpose funds and trust assets deposits in trust accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

Accounts receivable are due from various governments, government agencies, corporations and individuals. Credit risk related to accounts receivable is mitigated by internal controls as well policies and oversight over arrears for ultimate collection. Management has determined that a portion of accounts receivable are impaired based on specific identification as well as age of receivables.

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 \$349,987, 2015 \$593,987.

Concentration of credit risk

Concentration of credit risk is the risk that a customer(s) has a significant portion (more than ten percent) of the total accounts receivable balance and thus there is a higher risk to the Agency in the event of a default. The Agency does have concentration risk. At March 31, 2016, receivables from the GNWT and related parties accounted for 50% of the total outstanding accounts receivables. The Agency reduces this risk by monitoring overdue balances.

The Agency also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

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 \$ 2,878,459 and financial liabilities are \$ 3,723,159. The agency has disclosed future financial liabilities and commitments in Note 23.

32. EXPENSES BY OBJECT

Compensation	\$ 27,872,191	25,699,441
Other	7,311,562	7,111,001
	<u>35,183,753</u>	<u>32,810,442</u>

**Tlicho Community Services Agency
Health and Social Services
Schedule A
Schedule of Contributions from the GNWT
For the year ended March 31, 2016**

	<u>Budget 2016</u>	<u>Actual 2016</u>	<u>Actual 2015</u>
Contributions from the GNWT			
Department of Health and Social Services			
Core Contribution Department of Health			
Administration	\$ 707,000	\$ 700,000	\$ 839,000
Medical Equipment	0	0	13,000
Finance	175,000	173,000	-
System Support	102,000	88,074	-
Human Resources	-	75,000	-
Community Clinics & Health Centres	6,240,000	6,243,000	6,132,000
Community Mental Health & Addictions	975,000	973,000	-
Health Promotion & Community Wellness	100,000	312,000	100,000
Homecare & Support Services	705,000	697,000	680,000
Residential Care Children & Adults	2,828,000	2,813,000	2,209,000
Child & Family Services	2,139,000	2,016,000	2,166,000
Family Violence	31,000	31,000	31,000
Protective Services	-	-	11,000
Foster Care	-	-	754,000
Medical Travel	465,000	458,000	444,000
Total Core Contribution	<u>14,467,000</u>	<u>14,579,074</u>	<u>13,379,000</u>
Other DHSS Contributions			
Enhanced Home Care - Schedule A -1	421,000	421,003	428,063
CHNDP Program - CHN - Schedule A -2	-	-	35,393
On the Land - Schedule A -3	125,000	125,000	125,000
Total Contributions from the GNWT	<u>\$15,013,000</u>	<u>\$15,125,077</u>	<u>\$13,967,456</u>

Tlcho 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, 2016

Enhanced Home Care	<u>2016</u>	<u>2016</u>	<u>2015</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Funding			
GNWT - Department of Health & Social Services	\$ 421,000	\$ 421,003	\$ 428,063
Contributions Repayable	-	-	-
A/R GNWT	-	-	-
	<u>421,000</u>	<u>421,003</u>	<u>428,063</u>
Regional Home Care			
Salaries	378,000	391,226	367,822
Materials and Supplies	4,000	6,822	13,000
Gasoline	3,000	1,162	2,400
Food	8,000	6,639	12,000
Vehicle Maintenance	3,500	-	1,647
Medical and Surgical Supplies	4,000	3,250	4,000
Delivery and Courier	2,500	70	2,000
Telephone	1,000	990	1,831
Travel	8,000	9,745	18,447
Equipment Maintenance	1,000	500	590
Minor Equipment	3,000	-	-
Contract Services	5,000	3,317	4,325
Total Regional Home Care	<u>421,000</u>	<u>423,720</u>	<u>428,063</u>
Excess Funding over Expense	<u>\$ -</u>	<u>\$ (2,717)</u>	<u>\$ -</u>

Tlcho Community Services Agency
Schedule A-2
Schedule of Detailed Contribution Funding and Expenses
CHNDP Program - CHN
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT	\$ -	\$ -	\$ 35,393
	<u>-</u>	<u>-</u>	<u>35,393</u>
Expenses			
Salaries & Benefits	-	-	33,695
Training and Development	-	-	2,029
	<u>-</u>	<u>-</u>	<u>35,724</u>
Excess Funding over Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (331)</u>

Tlicho Community Services Agency
Schedule A-3
Schedule of Detailed Contribution Funding and Expenses
GNWT - On the Land Program
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT Contribution	125,000	125,000	125,000
	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Expenses			
Salaries & Benefits	-	54,536	4,048
Materials and Supplies	-	15,306	12,343
Client Travel	-	-	6,981
Contracted Services	-	64,758	101,628
	<u>-</u>	<u>134,600</u>	<u>125,000</u>
Excess Funding over Expense	<u>\$ 125,000</u>	<u>\$ (9,600)</u>	<u>\$ -</u>

**Tlicho Community Services Agency
Health and Social Services
Schedule B
Schedule of Recoveries
For the year ended March 31, 2016**

	2016 Budget (unaudited)		2016 Actual		2015 Actual
Recoveries from the GNWT					
Health Cost Recoveries	\$ -		\$ 25,839		\$ 67,107
Stanton Territorial Health Authority	86,000		106,334		122,500
Recoveries directly from Third Parties					
NIHB	200,000		272,650		251,575
Health Centre - Rent	-		77,300		66,300
	\$ 286,000		\$ 482,123		\$ 507,482

Tlcho Community Services Agency
Health and Social Services
Schedule C
Schedule of Other Contributions
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Other Contributions from Related Parties	-	-	-
Other Contributions from Third Parties	-	-	-
Rent	-	-	-
Health Centres	-	-	-
Operations Contribution-Ambulance, HSS	-	-	-
Operations Contribution-Ambulance, MACA	-	-	-
	-	-	-

**Tlcho Community Services Agency
Health and Social Services
Schedule D
Schedule of Other Income
For the year ended March 31, 2016**

	2016 Budget (unaudited)	2016 <u>Actual</u>	2015 <u>Actual</u>
Other Income from Related Parties	-	-	-
Other Income from Third Parties			
JESH - Rent	70,000	76,277	74,148
Health Centre - Clinic Fees	-	40,187	27,892
	<hr/>	<hr/>	<hr/>
	70,000	116,464	102,040
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Tlcho Community Services Agency
Health and Social Services
Schedule E
Schedule of Expenses by Object
For the year ended March 31, 2016**

	<u>2016 Budget</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
Compensation and Benefits			
GNWT			
GNWT Department of Finance	\$11,297,973	\$12,395,085	\$11,258,890
Third Parties			
Board of Directors	50,000	62,365	67,559
Total Compensation and Benefits	11,297,973	12,457,450	11,326,449
Other Expenses			
GNWT			
GNWT Health- Enhanced Home Care-Schedule A-1	43,000	32,494	60,241
GNWT Health- CHN-Schedule A-2	-	-	2,029
GNWT - On the Land-Schedule A-3	-	80,064	120,952
GNWT Department of Public Works	-	13,038	17,542
Related Parties			
Stanton Territorial Health Authority	-	101,242	72,447
Yellowknife Health & Social Services Authority	-	748,712	773,640
Third Parties	3,933,027	2,857,748	2,599,426
Total Other Expenses	3,976,027	3,833,299	3,646,277
Total Expenses	\$ 15,274,000	\$ 16,290,749	\$ 14,972,726

**Tlcho Community Services Agency
 Health and Social Services
 Schedule F
 Health Schedule of Reserves
 For the year ended March 31, 2016**

	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 L
Education Division
Schedule of Expenses
For the year ended March 31, 2016

	School Programs	Inclusive Schooling	Infrastructure	Administration	Aboriginal Languages	Other Projects	Totals
Salaries							
Teachers	\$ 7,968,490	\$ 567,786			\$ 889,801		9,426,077
Inst Asst.		1,326,009			260,022		1,586,031
Non-Inst Staff	2,142,112	681,412		843,564	369,844	144,062	4,180,994
Brd Honoraria				27,093			27,093
Employee Benefits							
Benefits/Allow Leave & Term.	11,273	2,433	151,360	82,919	(53,438)		194,547
							-
Services Purchased / Contracted							
Prof & Tech Serv							-
Office Supp & Admin							-
Postage/Communication	75,041			42,786	1,482		119,309
Utilities							-
Travel/Training	57,494	303,418		89,952	34,055	12,514	497,433
Student Travel						87,911	87,911
Advert/Prntg/Pubshng	1,232			-	-		1,232
Main/Repair	4,253			2,397	3,528		10,178
Rentals/Leases	83,281			8,348	1,968		93,597
Vehicle Expense	112,964	421		4,258	8,832		126,475
Equipment Maintenance				-			-
Other	19,117	50		30,965	410		50,541
Contributed Services	164,155	-		46,144	5,000		215,299
Contracted Services	253,141	171,329		21,649	94,322	128,642	669,083
Renovations							-
Home Boarding Allowance	64,912						64,912
Materials / Supplies / Freight							
Materials	643,754	105,088		53,436	41,507	373,136	1,216,920
Furniture and Equipment	5,208	-		-	1,724	-	6,933
Freight	42,721	831		1,539	75	-	45,166
Total Expense	\$ 11,649,147	\$ 3,158,777	\$ 151,360	\$ 1,255,049	\$ 1,659,132	\$ 746,267	\$ 18,619,732

**Tlcho Community Services Agency
Education - Contribution Agreements
Schedule L.1**

**Other Education Contributions
For the year ended March 31, 2016**

		<u>2016</u>	<u>2015</u>
		<u>Actual</u>	<u>Actual</u>
Contribution Agreement Revenue			
Aboriginal Language	Schedule L-1	\$ 60,000	\$ 60,000
Take a Kid Trapping CJBS	Schedule L-3	8,000	8,000
Take a Kid Trapping EMES	Schedule L-4	8,000	8,000
Take a Kid Trapping JWGS	Schedule L-5	8,000	8,000
Take a Kid Trapping MEZI	Schedule L-6	8,000	8,000
Food First Foundation JWGS	Schedule L-7	3,334	8,798
Snack Program EMES	Schedule L-8	6,022	21,277
Snack Program MEZI	Schedule L-9	9,841	963
Snack Program JWGS	Schedule L-10	3,303	-
Snack Program AAS	Schedule L-11	4,021	3,278
Snack Program CJBS (Elem)	Schedule L-12	-	3,393
Snack Program CJBHS	Schedule L-13	-	9,216
Active After School CJBS	Schedule L-14	12,300	12,079
Active After School MEZI	Schedule L-15	17,300	15,999
Mentorship Program MEZI	Schedule L-16	8,562	6,808
Miscellaneous	Schedule L-17	260,556	216,172
Public Library Services CJBS	Schedule L-18	38,000	38,000
Public Library Services MEZI	Schedule L-19	38,000	38,000
Public Library Services JWGS	Schedule L-20	38,000	38,000
Food First Foundation EMES	Schedule L-21	3,115	6,666
Youth Contribution JWGS	Schedule L-22	15,500	-
Drop the Pop	Schedule L-23	9,800	10,100
Active After School JWGS	Schedule L-24	17,300	15,999
Active After School EMES	Schedule L-25	11,000	12,079
Youth Contribution CJBS	Schedule L-26	5,000	5,000
Youth Contribution MEZI	Schedule L-27	-	15,000
Take a Kid Harvesting CJBS	Schedule L-28	-	8,000
Take a Kid Harvesting EMES	Schedule L-29	-	8,000
Active After School Wekweeti	Schedule L-30	15,948	15,999
"Not Us" Drug Strategy JWGS	Schedule L-31	4,883	5,000
Food First Foundation (NWT Taste Makers)	Schedule L-32	2,234	2,940
Literacy CJBS	Schedule L-33	19,641	11,237
E-Learning MEZI	Schedule L-34	7,861	19,375
School Playground EMES	Schedule L-35	24,000	-
Youth Contribution-Vancouver CJBS	Schedule L-36	4,000	-
Youth Contribution--Canoe MEZI	Schedule L-37	5,000	-
Youth Contribution-YK Trip MEZI	Schedule L-38	5,000	-
Youth Contribution-China Trip JWGS	Schedule L-39	4,000	-
Yoga Fitness JWGS	Schedule L-40	2,223	-
Public Library Services EMES	Schedule L-41	38,000	-
Fourth R	Schedule L-42	-	-
Safe & Caring	Schedule L-43	5,000	-
		\$ 730,742	\$ 639,377

Contribution Agreement Expenditures

Aboriginal Language	Schedule L-1	\$ 60,070	\$ 62,007
Take a Kid Trapping CJBS	Schedule L-3	7,967	8,053
Take a Kid Trapping EMES	Schedule L-4	8,008	7,957
Take a Kid Trapping JWGS	Schedule L-5	8,000	8,024
Take a Kid Trapping MEZI	Schedule L-6	8,029	8,033
Food First Foundation JWGS	Schedule L-7	3,334	8,798
Snack Program EMES	Schedule L-8	6,142	21,277
Snack Program MEZI	Schedule L-9	10,175	963
Snack Program JWGS	Schedule L-10	3,303	-
Snack Program AAS	Schedule L-11	4,021	3,278
Snack Program CJBS (Elem)	Schedule L-12	-	3,364
Snack Program CJBHS	Schedule L-13	-	9,394
Active After School CJBS	Schedule L-14	12,304	11,987
Active After School MEZI	Schedule L-15	17,304	16,000
Mentorship Program MEZI	Schedule L-16	8,702	6,808
Miscellaneous	Schedule L-17	261,141	217,867
Public Library Services CJBS	Schedule L-18	39,546	38,000
Public Library Services MEZI	Schedule L-19	37,996	38,023
Public Library Services JWGS	Schedule L-20	38,073	38,257
Food First Foundation EMES	Schedule L-21	3,115	6,518
Youth Contribution JWGS	Schedule L-22	15,500	-
Drop the Pop	Schedule L-23	10,082	10,279
Active After School JWGS	Schedule L-24	17,237	16,008
Active After School EMES	Schedule L-25	10,813	12,900
Youth Contribution CJBS	Schedule L-26	5,000	5,000
Youth Contribution MEZI	Schedule L-27	-	15,295
Take a Kid Harvesting CJBS	Schedule L-28	-	7,985
Take a Kid Harvesting EMES	Schedule L-29	-	8,044
Active After School Wekweeti	Schedule L-30	15,948	15,984
"Not Us" Drug Strategy JWGS	Schedule L-31	5,009	4,883
Food First Foundation (NWT Taste Makers)	Schedule L-32	2,209	2,948
Literacy CJBS	Schedule L-33	20,085	11,237
E-Learning MEZI	Schedule L-34	7,861	19,375
School Playground EMES	Schedule L-35	26,498	-
Youth Contribution-Vancouver CJBS	Schedule L-36	4,000	-
Youth Contribution--Canoe MEZI	Schedule L-37	4,916	-
Youth Contribution-YK Trip MEZI	Schedule L-38	4,992	-
Youth Contribution-China Trip JWGS	Schedule L-39	4,800	-
Yoga Fitness JWGS	Schedule L-40	2,223	-
Public Library Services EMES	Schedule L-41	38,019	-
Forth R	Schedule L-42	9,003	-
Safe & Caring	Schedule L-43	4,844	-

\$ 746,267	\$ 644,544
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Excess Funding over Expenses

\$ (15,524)	\$ (5,167)
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Tlicho Community Services Agency
Schedule L-1
Schedule of Specific Program - Aboriginal Languages
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT Contributions	-	60,000	60,000
Expenses			
Materials & Supplies	-	46,545	61,007
Training & Development	-	399	-
Contract Services	-	13,126	1,000
	-	60,070	62,007
Excess Funding over Expense	-	(70)	(2,007)

Tlicho Community Services Agency
L-2
Schedule of Specific Program - Education Infrastructure
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Personnel Infrastructure			
Funding			
GNWT Regular Contribution	200,000	222,119	138,826
Funding Adjustment			
	<u>200,000</u>	<u>222,119</u>	<u>138,826</u>
Expenses			
Staffing:			
Advertising	-	-	-
Hiring Expenses	-	-	-
Employee Benefits:			
Removal In/Transfer	110,000	50,618	78,074
Ultimate Removal	-	-	-
Medical Travel Assistance	-	-	-
Dental Premiums	-	-	-
Family Assistance Program	-	-	-
WCB	90,000	100,742	86,567
Total Expenses	<u>200,000</u>	<u>151,360</u>	<u>164,641</u>
Surplus (Deficit)	<u>-</u>	<u>70,759</u>	<u>(25,815)</u>
Utilities and Leases			
Funding			
GNWT Regular Contribution	-	-	-
Total Funding	<u>-</u>	<u>-</u>	<u>-</u>
Expenses			
Utilities:			
Fuel	-	-	-
Electricity	-	-	-
Water/Sewer	-	-	-
Boiler Maintenance	-	-	-
Total Expenses	<u>0</u>	<u>-</u>	<u>-</u>
Surplus (Deficit)	<u>0</u>	<u>-</u>	<u>-</u>
Excess Funding over Expense	<u>-</u>	<u>70,759</u>	<u>(25,815)</u>

Tlcho Community Services Agency
Schedule L-3
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping Program - CJBS
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ITI	-	8,000	8,000
		8,000	8,000
Expenses			
Materials & Supplies	-	2,767	2,853
Gasoline	-	-	-
Contract Services	-	5,200	5,200
	-	7,967	8,053
Excess Funding over Expenses	-	33	(53)

Tlicho Community Services Agency
Schedule L-4
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping Program - EMES
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ITI	-	8,000	8,000
	-	8,000	8,000
Expenses			
Materials & Supplies	-	5,058	4,239
Gasoline	-	-	118
Contract Services	-	2,950	3,600
	-	8,008	7,957
Excess Funding over Expense	-	(8)	43

Tlicho Community Services Agency
Schedule L-5
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Trapping Program - JWGS
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ITI	-	8,000	8,000
	-	8,000	8,000
Expenses			
Materials & Supplies	-	3,700	2,920
Food	-	-	504
Contract Services	-	4,300	4,600
	-	8,000	8,024
Excess Funding over Expense	-	-	(24)

Tlicho Community Services Agency
Schedule L-6
Schedule of Detailed Contribution Funding and Expense
Take a Kid Trapping Program - MEZI
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ITI	-	8,000	8,000
	-	8,000	8,000
Expenses			
Materials & Supplies	-	1,946	6,353
Gasoline	-	753	-
Contract Services	-	5,330	1,680
	-	8,029	8,033
Excess Funding over Expense	-	(29)	(33)

Tlcho Community Services Agency
Schedule L-7
Schedule of Detailed Contribution Funding and Expense
Food First Foundation - JWGS
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Food First Foundation	-	-	2,033
Food First Foundation (Deferred)	-	-	3,949
Food First Foundation	-	6,101	4,067
Food First Foundation (14/15) Deferred	-	1,251	(1,251)
Food First Foundation (15/16) Deferred		(4,018)	
	-	3,334	8,798
Expenses			
Materials & Supplies	-	3,334	8,798
Minor Equipment	-	-	-
	-	3,334	8,798
Excess Funding over Expense	-	-	-

Tlicho Community Services Agency
Schedule L-8
Schedule of Detailed Contribution Funding and Expenses
Snack Program - EMES
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning (13/14)	-	-	6,000
Breakfast for Learning (13/14) Deferred	-	-	5,199
Breakfast for Learning	-	5,500	10,600
Breakfast for Learning (14/15) Deferred	-	522	(522)
	-	6,022	21,277
Expenses			
Materials & Supplies	-	6,142	21,277
Contract Services	-	-	-
	-	6,142	21,277
Excess Funding over Expense	-	(120)	-

Tlichon Community Services Agency
Schedule L-9
Schedule of Detailed Contribution Funding and Expenses
Snack Program - MEZI
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning	-	-	304
Breakfast for Learning	-	3,500	7,000
Breakfast for Learning (2014/15) Deferred	-	6,341	(6,341)
	-	9,841	963
Expense			
Materials & Supplies	-	6,385	333
Contract Services	-	3,790	630
	-	10,175	963
Excess Funding over Expense	-	(334)	-

Tlich Community Services Agency
Schedule L10
Schedule of Detailed Contribution Funding and Expenses
Snack Program - JWGS
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning	-	3,400	3,900
Breakfast for Learning Deferred		(3,997)	
Breakfast for Learning Deferred (14/15)	-	3,900	(3,900)
	-	<u>3,303</u>	-
Expenses			
Materials & Supplies	-	3,303	-
Minor Equipment	-	-	-
	-	<u>3,303</u>	-
Excess Funding over Expense	-	-	-

Tlcho Community Services Agency
Schedule L-11
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Alexis Arrowmaker School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning	-	-	1,200
Breakfast for Learning Deferred	-	(1,832)	1,530
Breakfast for Learning	-	2,900	3,500
Breakfast for Learning Deferred	-	2,953	(2,953)
	-	4,021	3,278
Expenses			
Materials & Supplies	-	4,021	3,278
Minor Equipment	-	-	-
	-	4,021	3,278
Excess Funding over Expense	-	-	-

Tlich Community Services Agency
Schedule L-12
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Chief Jimmy Bruneau School (Elementary)
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning	-	-	800
Breakfast for Learning Deferred	-	(1,700)	493
Breakfast for Learning	-	1,700	2,100
	-	-	<u>3,393</u>
 Expense			
Materials & Supplies	-	-	3,364
	-	-	<u>3,364</u>
 Excess Funding over Expense	-	-	<u><u>29</u></u>

Tlcho Community Services Agency
Schedule L-13
Schedule of Detailed Contribution Funding and Expenses
Snack Program - Chief Jimmy Bruneau High School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Breakfast for Learning	-		1,016
Breakfast for Learning	-	8,100	8,200
Breakfast for Learning Deferred	-	(8,100)	-
	-	-	9,216
Expenses			
Materials & Supplies	-		9,394
Minor Equipment	-	-	-
	-	-	9,394
Excess Funding over Expense	-	-	(179)

Tlicho Community Services Agency
Schedule L-14
Schedule of Detailed Contribution Funding and Expenses
Active After School Program - Chief Jimmy Bruneau High School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	12,300	12,079
	-	12,300	12,079
Expenses			
Materials & Supplies	-	12,304	11,987
Minor Equipment	-	-	-
	-	12,304	11,987
Excess Funding over Expense	-	(4)	92

Tlicho Community Services Agency
Schedule L-15
Schedule of Detailed Contribution Funding and Expenses
Active After School Program - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	17,300	15,999
	-	17,300	15,999
Expenses			
Materials & Supplies	-	8,110	10,910
Minor Equipment	-	9,194	5,090
	-	17,304	16,000
Excess Funding over Expenses	-	(4)	(1)

Tlicho Community Services Agency
Schedule L-16
Schedule of Detailed Contribution Funding and Expenses
Mentorship Program - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT (Deferred)	-		15,370
GNWT (Deferred)	-	8,562	(8,562)
	-	<u>8,562</u>	<u>6,808</u>
Expenses			
Materials & Supplies	-	478	1,150
Travel	-	8,224	5,658
	-	<u>8,702</u>	<u>6,808</u>
Excess Funding over Expense	-	<u>(140)</u>	-

Tlicho Community Services Agency
Schedule L-17
Schedule of Detailed Contribution Funding and Expenses
Miscellaneous
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
CJBS Miscellaneous	-	51,253	30,855
CJBS Miscellaneous (Deferred)	-	(37,993)	-
CJBS Miscellaneous (Deferred)	-	3,807	(3,807)
CJBS Cultural Program (BHP & Ekati)	-	25,000	25,000
CJBS Cultural Program (BHP & Ekati)	-	17,435	(17,435)
CJBS Cultural Program (BHP & Ekati) Deferred	-	-	42,461
MEZI Miscellaneous	-	10,500	-
MEZI Miscellaneous (Deferred)	-	(10,500)	-
MEZI Fundraising	-	16,958	-
MEZI Fundraising (Deferred)	-	(13,295)	-
MEZI Cultural Program (BHP & Ekati)	-	23,500	25,000
MEZI Cultural Program (BHP Billiton) Deferred	-	(10,277)	45,879
MEZI Cultural Program (BHP Billiton) Deferred	-	51,232	(51,232)
JWGS Miscellaneous	-	11,125	1,750
JWGS Miscellaneous (Deferred)	-	1,750	(1,750)
JWGS Miscellaneous (Deferred)	-	(9,471)	-
JWGS Fundraising	-	29,486	7,723
JWGS Fundraising (Deferred)	-	6,495	(6,495)
JWGS Fundraising (Deferred)	-	(1,461)	-
JWGS Literacy	-	1,368	-
JWGS Literacy (Deferred)	-	(1,368)	-
JWGS Cultural Program (BHP & Ekati)	-	25,000	25,000
JWGS Cultural Program (BHP & Ekati) (Deferred)	-	-	9,511
JWGS Cultural Program (De Beers)	-	-	2,500
JWGS Cultural Program (BHP & Ekati)	-	4,802	(4,802)
EMES Miscellaneous	-	21,171	4,876
EMES Miscellaneous (Deferred)	-	(17,687)	8,235
EMES Miscellaneous (Deferred)	-	5,181	(5,181)
EMES Cultural Program (BHP & Ekati)	-	25,000	25,000
EMES Cultural Program (BHP & Ekati) Deferred	-	(18,121)	26,838
EMES Cultural Program (BHP & Ekati) Deferred	-	19,184	(19,184)
AAS Miscellaneous	-	13,665	3,500
AAS Miscellaneous (Deferred)	-	(7,525)	1,559
AAS Miscellaneous (Deferred)	-	1,192	(1,192)
AAS Cultural Program (BHP & Ekati)	-	25,000	25,000
AAS Cultural Program (BHP & Ekati) Deferred	-	(70,288)	85,000
AAS Cultural Program (BHP & Ekati) Deferred	-	68,437	(68,437)
	-	260,556	216,172
Expenses			
CJBS Miscellaneous	-	17,068	27,048
CJBS Cultural Program (BHP & Ekati)	-	42,511	50,027
MEZI Miscellaneous	-	-	(1,284)
MEZI Fundraising	-	3,663	2,978
MEZI Cultural Program (BHP & Ekati)	-	64,456	19,646
JWGS Miscellaneous	-	3,404	-
JWGS Fundraising	-	34,520	1,228
JWGS Cultural Program (Ekati)	-	30,311	32,209
EMES Miscellaneous	-	8,665	7,930
EMES Cultural Program (BHP & Ekati)	-	26,063	32,654
AAS Miscellaneous	-	7,332	3,868
AAS Cultural Program (BHP Billiton)	-	23,148	41,563
	-	261,141	217,867
Excess Funding over Expense	-	(585)	(1,695)

Tlichu Community Services Agency
Schedule L-18
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Chief Jimmy Bruneau School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT ECE	-	38,000	38,000
	-	38,000	38,000
Expenses			
Salaries & Benefits	-	39,546	38,000
Materials & Supplies	-	-	-
Contract Services	-	-	-
	-	39,546	38,000
Excess Funding over Expense	-	(1,546)	-

Tlichu Community Services Agency
Schedule L-19
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT ECE	-	38,000	38,000
	-	38,000	38,000
Expenses			
Salaries & Benefits	-	33,142	-
Materials & Supplies	-	4,854	13,233
Contract Services	-	-	24,790
	-	37,996	38,023
Excess Funding over Expense	-	4	(23)

Tlichu Community Services Agency
Schedule L-20
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Jean Wetrade Gameti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT ECE	-	38,000	38,000
	-	38,000	38,000
Expenses			
Salaries & Benefits	-	36,002	30,037
Materials & Supplies	-	2,070	5,342
Contract Services	-	-	2,878
	-	38,073	38,257
Excess Funding over Expense	-	(73)	(257)

Tlcho Community Services Agency
Schedule L-21
Schedule of Detailed Contribution Funding and Expense
Food First Foundation - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Food First Foundation	-	3,334	1,666
Food First Foundation (deferred)	-	(219)	3,334
Food First Foundation (14/15) A/R	-	-	1,666
	-	<u>3,115</u>	<u>6,666</u>
Expenses			
Materials & Supplies	-	3,115	6,518
Minor Equipment	-	-	-
	-	<u>3,115</u>	<u>6,518</u>
Excess Funding over Expense	-	-	<u>148</u>

Tlicho Community Services Agency
Schedule L-22
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Skiing) - Jean Wetrade Gameti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	15,500	15,500
GNWT North Slave Region MACA (Payable)	-	-	(15,500)
	-	<u>15,500</u>	-
Expenses			
Travel	-	15,500	-
Minor Equipment	-	-	-
	-	<u>15,500</u>	-
Excess Funding over Expense	-	-	-

Tlcho Community Services Agency
Schedule L-23
Schedule of Detailed Contribution Funding and Expenses
Drop the Pop
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT HSS - CJBS	-	2,400	2,500
GNWT HSS - MEZI	-	2,100	1,900
GNWT HSS - JWGS	-	1,500	1,600
GNWT HSS - EMES	-	2,200	2,500
GNWT HSS - Wekweeti	-	1,600	1,600
	-	9,800	10,100
Expenses			
Materials & Supplies - CJBS	-	2,400	2,494
Materials & Supplies - MEZI	-	2,058	1,921
Materials & Supplies - JWGS	-	1,497	1,577
Materials & Supplies - EMES	-	2,261	2,650
Materials & Supplies - Wekweeti	-	1,867	1,637
	-	10,082	10,279
Excess Funding over Expense	-	(282)	(179)

Tlcho Community Services Agency
Schedule L-24
Schedule of Detailed Contribution Funding and Expenses
Active After School Program - Jean Wetrade Gameti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	17,300	15,999
	-	17,300	15,999
Expenses			
Materials & Supplies	-	17,237	16,008
Minor Equipment	-	-	-
	-	17,237	16,008
Excess Funding over Expense	-	63	(9)

Tlicho Community Services Agency
Schedule L-25
Schedule of Detailed Contribution Funding and Expenses
Active After School Program - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	11,000	12,079
	-	11,000	12,079
Expenses			
Materials & Supplies	-	10,813	12,900
Contract Services	-	-	-
	-	10,813	12,900
Excess Funding over Expense	-	187	(821)

Tlichu Community Services Agency
Schedule L-26
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Music) - Chief Jimmy Bruneau School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	5,000	5,000
	-	<u>5,000</u>	<u>5,000</u>
Expenses			
Travel	-	-	-
Contract Services	-	5,000	5,000
	-	<u>5,000</u>	<u>5,000</u>
Excess Funding over Expense	-	-	-

Tlcho Community Services Agency
Schedule L-27
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Skiing) - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	-	15,000
	-	-	15,000
Expenses			
Materials & Supplies	-	-	7,328
Travel	-	-	7,568
Contract Services	-	-	400
	-	-	15,295
Excess Funding over Expense	-	-	(295)

Tlicho Community Services Agency
Schedule L-28
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Harvesting Program - Chief Jimmy Briuneau School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ITI	-	-	8,000
	-	-	<u>8,000</u>
Expenses			
Materials & Supplies	-	-	5,385
Contract Services	-	-	2,600
	-	-	<u>7,985</u>
Excess Funding over Expense	-	-	<u><u>15</u></u>

Tlichon Community Services Agency
Schedule L-29
Schedule of Detailed Contribution Funding and Expenses
Take a Kid Harvesting Program - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT ITI	-	-	8,000
	-	-	8,000
Expenses			
Materials & Supplies	-	-	4,394
Contract Services	-	-	3,650
	-	-	8,044
Excess Funding over Expense	-	-	(44)

Tlicho Community Services Agency
Schedule L-30
Schedule of Detailed Contribution Funding and Expenses
Active After School Program - Alexis Arrormaker School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	17,300	15,999
GNWT North Slave Region MACA, Payable	-	(1,352)	-
	-	15,948	15,999
Expenses			
Materials & Supplies	-	15,948	15,984
Minor Equipment	-	-	-
Contract Services	-	-	-
	-	15,948	15,984
Excess Funding over Expense	-	-	15

Tlcho Community Services Agency
Schedule L-31
Schedule of Detailed Contribution Funding and Expenses
"Not Us" Drug Strategy - Jean Wetrade Gameti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, Justice	-	5,000	5,000
GNWT, Justice (14/15 repayable)	-	(117)	-
	-	<u>4,883</u>	<u>5,000</u>
 Expenses			
Materials & Supplies	-	5,009	4,883
	-	<u>5,009</u>	<u>4,883</u>
 Excess Funding over Expense	-	<u>(126)</u>	<u>117</u>

Tlcho Community Services Agency
Schedule L-32
Schedule of Detailed Contribution Funding and Expense
NWT Taste Makers - Food First Foundation
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Food First (NWT Taste Makers)	-	2,226	4,144
Food First (NWT Taste Makers) Deferred	-	1,204	(1,204)
Food First (NWT Taste Makers) Deferred	-	(1,196)	-
	-	<u>2,234</u>	<u>2,940</u>
Expenses			
Chief Jimmy Bruneau School	-	998	1,024
MEZI Community School	-	-	1,061
Jean Wetrade Gameti School	-	-	862
Alexis Arrowmaker School	-	1,212	-
	-	<u>2,209</u>	<u>2,948</u>
Excess Funding over Expense	-	<u>25</u>	<u>(8)</u>

Tlicho Community Services Agency
Schedule L-33
Schedule of Detailed Contribution Funding and Expenses
Literacy - Chief Jimmy Bruneau High School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Diavik Diamond Mines	-	-	25,000
NWT Literacy	-	2,100	3,360
Scholastic Canada (Book Fair)	-	-	418
Diavik Diamond Mines (Deferred)	-	17,541	(17,541)
	-	19,641	11,237
Expenses			
Materials & Supplies	-	19,885	6,837
Contract Services	-	200	4,400
	-	20,085	11,237
Excess Funding over Expense	-	(444)	-

Tlcho Community Services Agency
Schedule L-34
Schedule of Detailed Contribution Funding and Expenses
E-Learning - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
Beaufort Delta Education Council	-	-	63,783
Beaufort Delta Ed. Council, Deferred	-	44,408	(44,408)
Beaufort Delta Ed. Council, Payable	-	(36,547)	-
	-	<u>7,861</u>	<u>19,375</u>
Expenses			
Salaries & Benefits	-	7,221	19,375
Contract Services	-	640	-
	-	<u>7,861</u>	<u>19,375</u>
Excess Funding over Expense	-	-	-

Tlcho Community Services Agency
Schedule L-35
Schedule of Detailed Contribution Funding and Expenses
School Playground - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ECE	-	24,000	-
	-	24,000	-
Expenses			
Materials & Supplies	-	26,498	-
Contract Services	-	-	-
	-	26,498	-
Excess Funding over Expense	-	(2,498)	-

Tlicho Community Services Agency
Schedule L-36
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Vancouver Trip) - Chief Jimmy Bruneau School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	4,000	-
	-	4,000	-
Expenses			
Travel	-	4,000	-
Contract Services	-	-	-
	-	4,000	-
Excess Funding over Expense	-	-	-

Tlcho Community Services Agency
Schedule L-37
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (Canoe) - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	5,000	-
	-	<u>5,000</u>	-
Expenses			
Materials & Supplies	-	1,477	-
Travel	-	1,839	-
Contract Services	-	1,600	-
	-	<u>4,916</u>	-
Excess Funding over Expense	-	<u>84</u>	-

Tlicho Community Services Agency
Schedule L-38
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (YK Trip) - MEZI Community School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	5,000	-
	-	5,000	-
Expenses			
Materials & Supplies	-	-	-
Travel	-	4,677	-
Contract Services	-	315	-
	-	4,992	-
Excess Funding over Expense	-	8	-

Tlicho Community Services Agency
Schedule L-39
Schedule of Detailed Contribution Funding and Expenses
Youth Contribution (China Trip) - Jean Wetrade Gameti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT North Slave Region MACA	-	4,000	-
	-	4,000	-
Expenses			
Materials & Supplies	-	-	-
Travel	-	4,800	-
	-	4,800	-
Excess Funding over Expense	-	(800)	-

Tlicho Community Services Agency
Schedule L-40
Schedule of Detailed Contribution Funding and Expenses
Yoga Fitness - Jean Wetrade Gaemti School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
NWT, Minister Responsible for Women	-	3,000	-
NWT, Minister Responsible for Women (Deferr	-	(777)	-
	-	<u>2,223</u>	-
Expenses			
Materials & Supplies	-	2,223	-
Contract Services	-	-	-
	-	<u>2,223</u>	-
Excess Funding over Expense	-	-	-

Tlicho Community Services Agency
Schedule L-41
Schedule of Detailed Contribution Funding and Expenses
Public Library Services - Elizabeth Mackenzie Elementary School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT ECE	-	38,000	-
	-	38,000	-
Expenses			
Salaries & Benefits	-	38,019	-
Materials & Supplies	-	-	-
Contract Services	-	-	-
	-	38,019	-
Excess Funding over Expense	-	(19)	-

Tlcho Community Services Agency
Schedule L-42
Schedule of Detailed Contribution Funding and Expenses
Fourth R - CAMH
For the year ended March 31, 2016

	<u>2016 Budget</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
Funding			
Centre for Addiction & Mental Health	-	-	-
	-	-	-
Expenses			
Training & Development	-	9,003	-
Materials & Supplies	-	-	-
Contract Services	-	-	-
	-	9,003	-
Excess Funding over Expense	-	(9,003)	-

\$9,000 received on December 31, 2014 and was not deferred to 15/16

Tlcho Community Services Agency
Schedule L-43
Schedule of Detailed Contribution Funding and Expenses
Safe & Caring School - Chief Jimmy Bruneau School
For the year ended March 31, 2016

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Funding			
GNWT, ECE	-	5,000	-
	-	<u>5,000</u>	-
Expenses			
Materials & Supplies	-	1,731	-
Training & Development	-	3,112	-
	-	<u>4,844</u>	-
Excess Funding over Expense	-	<u>156</u>	-

Beaufort Delta Health & Social Services

Financial Statements

March 31, 2016

Beaufort Delta Health & Social Services

Financial Statements

March 31, 2016

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**To the Minister of Health and Social Services
Government of the Northwest Territories**

**Management's Responsibility for Financial Reporting
For the Year Ended March 31, 2016**


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

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Authority as well as the supporting internal controls of the Authority 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, PSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority. Any non-compliance has been specifically identified and has been communicated to the Minister and Deputy Minister.

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

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

Approved and Confirmed on behalf of Beaufort Delta Health & Social Services


Arlene Jorgensen, B.A, B.S.W.
Chief Executive Officer
Beaufort Delta Health & Social Services

June 28, 2016

Management Discussion Analysis

March 31, 2016

Introduction

The Beaufort-Delta Health and Social Services Authority (BDHSSA) has a mandate to provide leadership in defining and implementing a vision for health care and a framework for health systems. The Authority assesses, promotes and protects the health and well-being of the Beaufort-Delta population. The Vision Statement of the BDHSSA is A region where people are empowered to live healthy lives. The Mission is "To work together with individuals, families and communities to support health and well-being.

The BDHSSA is currently governed by Mr. Peter Clarkson, who is appointed by the Minister of Health to the position of Public Administrator.

The Authority delivers publicly-funded health and social services under the Hospital Insurance and Health and Social Services Administration Act. The Authority works with a range of stakeholders to provide defined health and social services to empower people to live healthy lives.

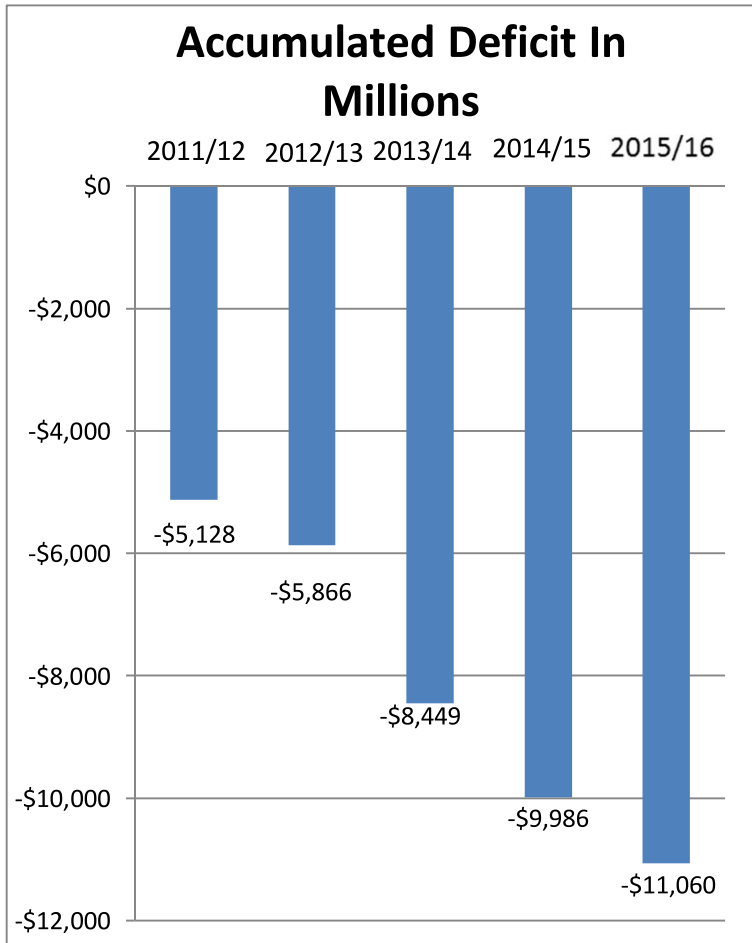
The Authority is committed to assisting and encouraging Beaufort-Delta residents in achieving their best possible health and well-being. We do this by overseeing and delivering a complex, multi-faceted health and social services care system.

The BDHSSA serves a population of approximately seven thousand one hundred people (7,100). A Public Administrator appointed by the Minister provides strategic direction and vision to the health and/or social services facilities in the region: Aklavik, Fort McPherson, Inuvik, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk and Ulukhaktok. These communities range in size from 120 people (Sachs Harbour) to 3,600 people (Inuvik).

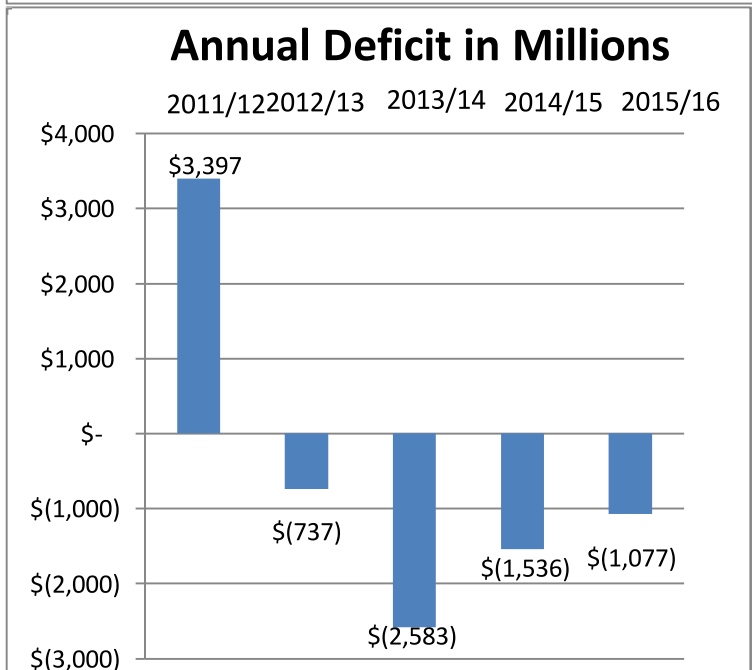
The Inuvik Regional Hospital is the only hospital located above Canada's Arctic Circle. This 51 bed (class D) accredited hospital offers acute, long term, preventative and rehabilitative care as well as elective and emergency surgery. The BDHSSA is funded for nine physicians to provide a full range of medical services to eight communities in the Beaufort-Delta region. Clients with significant needs or those in emergency situations are transferred from the Beaufort-Delta, Fort Good Hope and Colville Lake to Inuvik and by air medevac to services outside the region if specialized treatment is required. The hospital has an affiliation with the University of BC medical programs and provides teaching and mentoring to residents and students (at least one resident and one student per month).

The Authority has a dedicated workforce of approximately 246 employees and the administration of approximately 75 contracted services providers.

Financial Condition:



As at March 31, 2016 the BDHSSA incurred an operating deficit of \$1,159,667 thereby increasing the accumulated operating deficit to \$11,063,865.



The Beaufort-Delta Health and Social Services Authorities accumulated deficit can be attributed to a number of factors:

1. This year the Authority incurred relocation expenses for staff hiring of both permanent and locum staff of \$1,233,000 which is very close to last year's costs. This operating cost is not part of the Authorities base budget. As a result the Authority has to fund staff relocation in/out from its existing budget sources. The Authority has made steps to reduce this relocation in/out cost by handling its own travel booking. The Authority has also taken on the recruitment of nurses to eliminate the extra costs of using an agency.

2. The cost of medical supplies, drugs and vacancies were \$355,000 over budget caused by increased costs, increased standards and changes to treatment plans required to improve patient care and safety.
3. The authority was \$741,000 over budget in overtime, \$993,000 over budget for callback across the organization.
4. The authority was 208,000 over budget for responsibility pay. This is compensation for individuals who cover work duties for a position at a higher level when the incumbent is on annual or position is vacant.
5. Shortfall in contracted services of \$466,000, this is the difference between the funding and the cost of delivering the services. The cost of delivering the services would greatly increase if the services were provided by our own forces or through southern placement.

The Health Authority did not receive any forced growth funding this fiscal year. The Health Authority did receive \$286,000 in one time funding to offset cost for referred out lab services, physician maternity / paternity leave. The Health Authority received \$88,000 to cover increased cost of Northern Allowance.

The Authority did receive funds for two programs and additional \$150,000 for the Healthy Families Program and \$221,000 for the Midwifery Program.

The authority has not received any funding to cover overtime which is governed by the collective agreement, relocation of staff for work, or funds to cover the shortfall in contracted services.

Operating Environment:

There are a number of improvements that have reduced the historical operating deficit for the Authority.

This year the Authority has continued to have substantial billing for patients services to third parties of \$831,000. In addition the Authority has been able to recover \$270,000 in other services such as dietary and dental surgery. Further, the Authority was able to recover an additional \$806,000 for patient and staff accommodations. The Authority also recovered \$1,659,631 from the provision of Non-Insured Health Benefits. The demand for quality health care in the region continues to show forced growth which result in increased operational costs. Management has endeavored to actively control and monitor budgets to secure best use of available resources and to ensure quality care for our clients.

The key cost driver continues to be the care required for the residents of the Beaufort-Delta resulting from the number of our population who are aging and requiring additional services and the costs related to providing these services. This operating year the Inuvik Regional Hospital had 8,276 patients visit the general clinics, and 3,994 visit the walk in clinic. The emergency department had 6,649 patients. The Authority's laboratory provided services to 5,479 patients. BDHSSA's operating room provided 63 surgeries and 325 day surgeries and 397 pre-operating visits during this fiscal year. There were also 1,743 specialist appointments during the year. The total number of patient visits to the Inuvik regional Hospital for this fiscal period was 26,965 visits.

All of the Community Health Centre's combined together had 17,510 patient visits during 2015. In addition our Physicians saw 2,577 patients in the Community Health Centre. The Community Health Centre's also had 3,774 after hour calls. The community Home Support Workers made 533 home care visits in the communities excluding Inuvik.


During April 1, 2015 to March 31, 2016 there have been 443 intake reports for 805 identified children of concern in the Beaufort Delta Health and Social Services Region. There was 274 of these calls during the day and 169 are reported after hours.

Summary and Outlook:

While recognizing the GNWT is in a period of fiscal restraint the realities of health and social services program delivery requires increased funding, the cost of maintaining basic services and the cost of recruiting and retaining professionals from the south continues to grow.

Our Authority continues to be challenged by the DHSS to submit a balanced budget and live within our means. This year BDHSSA implemented many cost saving actions that will reduce our budget deficit and allow us to strive towards a balanced budget. The cost saving actions take time to implement and this delay's the cost saving to future time periods. The Authority also has to comply with GNWT contracts and regulations that limit cost save opportunities. The Authority continues to look for opportunities to reduce costs and find alternative methods of delivering programs and services in our collaborative effort with the DHSS and our stakeholders to find solutions for delivering health and social services in the NWT so that all residents have access to basic health and social services regardless of where they live, that the physical, mental and social health of individuals, families and communities will improve and that we do this in an affordable way.

We will continue to provide quality services to the people in our region, delivering services that are client-focused, universally available, accessible, accountable and adaptable to our diverse needs as determined by the people of the region. The resources provided to the Authority have increased and have resulted in a much smaller operating deficit for the Authority. If the level of resources provided was to match the level of services the Authority is obligated to deliver, had active partners, was allowed to determine the best courses of action and aggressively manages its day-to-day operations we would be able to achieve a balance between client-focused high quality service and sustainability.



Arlene Jorgensen B.A., B.S.W.
Chief Executive Officer
Beaufort-Delta Health and Social Services Authority

Independent Auditors' Report

To the Minister of Health and Social Services Government of the Northwest Territories

We have audited the accompanying financial statements of the Beaufort Delta Health & Social Services as at March 31, 2016, which comprise the statement of operations and the statements of financial position, changes in net financial debt, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures for all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more as listed on Schedule A.

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. Management is also responsible for the preparation of the schedule of 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 accordance with the financial guidelines of the Department of Health and Social Services.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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 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

Salaries and related benefits paid to employees of the Authority 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 were not able to determine whether any adjustments might be necessary to compensation and benefits expenditures, payroll liabilities, employee future benefits, net financial debt, and accumulated deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material aspects, the financial position of the Beaufort Delta Health & Social Services as at March 31, 2016, and its financial operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, applied on a basis consistent with the preceding year. Furthermore, except for the limitation relating to payroll as described above, Schedule A presents 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 for the year ended March 31, 2016, in accordance with the financial guidelines of the Department of Health and Social Services.

Report on Other Legal and Regulatory Requirements

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

**Yellowknife, Northwest Territories
June 28, 2016**

Crowe MacKay LLP
Chartered Accountants

STATEMENT I

Beaufort Delta Health & Social Services

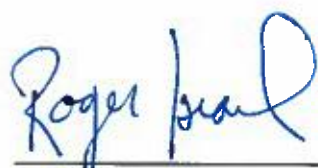
Statement of Financial Position

As at March 31,	2016	2015
Financial Assets		
Cash (Note 4)	\$ 3,397,686	\$ 1,018,960
Special Purpose Funds (Note 5)	119,915	119,915
Accounts Receivable (Note 8)	1,700,819	1,944,964
Trust Assets (Note 17)	173,322	206,287
	5,391,742	3,290,126
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	2,179,583	1,224,114
Payroll Liabilities (Note 10)	12,175,810	10,101,217
Deferred Revenue (Note 11)	19,233	-
Contributions Repayable (Note 12)	15,768	15,768
Employee Future Benefits (Note 16)	2,498,042	2,372,189
Trust liabilities (Note 17)	173,322	206,287
	17,061,758	13,919,575
Net Financial Assets (Debt)	(11,670,016)	(10,629,449)
Non-Financial Assets		
Inventories Held for Use (Note 9)	490,882	519,704
Prepaid Expenses (Note 19)	115,269	123,379
	606,151	643,083
Accumulated Surplus / (Deficit) (Note 20)	\$ (11,063,865)	\$ (9,986,366)
Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		

Approved on behalf of the Authority



Arlene Jorgensen, B.A., B.S.W.
Chief Executive Officer



Roger Israel, BA, CGA
Director of Finance and Operations

Beaufort Delta Health & Social Services

Statement of Operations

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Revenue			
Contributions from GNWT (Schedule A)	\$ 47,407,693	\$ 48,200,318	\$ 46,703,500
Contributions from other sources (Schedule C)	-	101,545	-
Interest income	5,000	3,087	19,812
Other income (Schedule D)	-	-	-
Recoveries (Schedule B)	2,100,575	3,538,990	3,817,313
Recoveries from prior years' expenses	-	208,021	170,000
	49,513,268	52,051,961	50,710,625
Expenses			
Administration and support	8,362,788	9,814,701	10,046,451
Nursing inpatient services	9,620,566	10,303,847	9,935,285
Ambulatory care	6,439,134	6,953,925	6,872,507
Diagnostic and therapeutic	3,619,559	4,580,728	4,519,948
Regional health	10,039,102	10,704,769	10,295,636
Regional social services	11,322,924	10,658,595	10,440,508
Education	-	13,144	63,553
Undistributed	109,195	99,751	73,290
Total Expenses (Schedule E)	49,513,268	53,129,460	52,247,178
Operating Surplus / (Deficit)	-	(1,077,499)	(1,536,553)
Prior Year Funding Received (Note 25)	-	(208,021)	(170,000)
Operating Surplus / (Deficit) Before Prior Year Funding	-	(1,285,520)	(1,706,553)
Unfunded Items			
Change in employee leave and termination benefits (Note 16)	-	125,853	69,583
Annual Surplus / (Deficit) Before The Following	-	(1,159,667)	(1,636,970)
Rent expense - GNWT assets provided at no cost (Note 22)	-	(2,066,186)	(1,998,442)
Grant-in-kind - GNWT assets provided at no cost (Note 22)	-	2,066,186	1,998,442
Annual Surplus / (Deficit)	-	(1,159,667)	(1,636,970)
Opening Accumulated Surplus / (Deficit)	-	(9,986,366)	(8,449,813)
Closing Accumulated Surplus / (Deficit) (Note 20)	\$ -	\$ (11,063,865)	\$ (9,986,366)

Beaufort Delta Health & Social Services

Statement of Changes in Net Financial Debt

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Operating Surplus / (Deficit)	\$ -	\$ (1,077,499)	\$ (1,536,553)
Adjustments			
Decrease / (increase) in inventories held for use	-	28,822	1,669
Decrease / (increase) in prepaid expenses	-	8,110	18,002
(Increase) / Decrease in Net Financial Debt	-	(1,040,567)	(1,516,882)
Opening Net Financial Debt	(10,629,449)	(10,629,449)	(9,112,567)
Closing Net Financial Debt	\$ (10,629,449)	\$ (11,670,016)	\$ (10,629,449)

Beaufort Delta Health & Social Services

Statement of Cash Flows

For the year ended March 31,	2016	2015
Cash Provided By (Used In)		
Operating Transactions		
Operating Surplus / (Deficit)	\$ (1,077,499)	\$ (1,536,553)
Items not affecting cash:		
Changes in Non-cash Assets and Liabilities		
Decrease / (increase) in accounts receivable	244,145	898,953
Decrease / (increase) in inventories for use	28,822	18,002
Increase / (decrease) in accounts payable and accrued liabilities	955,469	(187,870)
Increase / (decrease) in payroll liabilities	2,074,593	1,280,904
Increase / (decrease) in deferred revenue	19,233	-
Increase / (decrease) in employee future benefits	125,853	69,583
Increase / (decrease) in prepaid expenses	8,110	1,669
Cash Provided by (Used for) Operating Transactions	2,378,726	544,688
Investing Transactions		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash Provided by (Used for) Investing Transactions	-	-
Capital Transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash Provided by (Used for) Capital Transactions	-	-
Financing Transactions		
Net proceeds from capital lease obligations	-	-
Other	-	-
Cash Provided by (Used for) Financing Transactions	-	-
Increase / (decrease) in cash and cash equivalents	2,378,726	544,688
Cash and cash equivalents, beginning of year	1,138,875	594,187
Cash and cash equivalents, end of year	\$ 3,517,601	\$ 1,138,875
Represented by:		
Cash	\$ 3,397,686	\$ 1,018,960
Special Purpose Funds	119,915	119,915
	\$ 3,517,601	\$ 1,138,875

Total interest paid during the year \$1,486 (2015 - \$(4,298))

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

1. Authority

The Beaufort Delta Health & Social Services (the "Authority") operates under the authority of the *Hospital Insurance and Health and Social Services Act* of the Northwest Territories. The Authority was established on April 1, 1988 to manage, control, and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. Basis of Presentation and 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 and by the directives 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:

(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 Authority 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 Authority are:

Operating Fund - reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Surplus 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.

Termination 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.

The Authority does not have sufficient funds to establish either of these reserves.

(d) 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 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 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 with an offsetting corresponding amount as a Grant-In-Kind revenue.

(e) Inventories 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 Authority annually accrues estimated employee leave and termination benefits payable.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(g) Pension contributions

The Authority and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis.

The Authority and its contracted physicians make contributions to a physician directed investment fund administered by MD Management. These contributions represent the total pension liability of the Authority and are recognized in the accounts on a current basis.

(h) Revenue recognition

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

Billings processed through ICORE system by the medical centre's billing clerks are recognized as revenue upon submission of claim to the DHSS's Health Services Administration in Inuvik.

Other revenue is recognized when the service is performed or the goods are provided.

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

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

(i) Financial instruments

The 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, special purpose funds, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, and contributions repayable. 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.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authorities unless they are sold.

(k) Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards require 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. Actual results could differ from these estimates.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

3 Future Accounting Changes

a) Inter-entity transactions, Section PS 3420

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

b) Assets, Section PS 3210

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

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

c) Contingent Assets, Section PS 3320

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

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

d) Contractual Rights, Section PS 3380

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

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

e) 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. The impact of the transition to these accounting standards is being reviewed by management.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

4 Cash

	2016	2015
Unrestricted		
Operating account	\$ 2,857,331	\$ 752,736
General operating accounts	1,032	1,032
Savings accounts	1,381	-
Visa deposit account	537,942	265,192
<hr/>		
Total unrestricted	3,397,686	1,018,960
<hr/>		
Total cash	\$ 3,397,686	\$ 1,018,960

5 Special Purpose Funds

	2016	2015
Donations reserves		
Special Projects Reserve	\$ 50,540	\$ 50,540
<hr/>		
Other reserves		
Funded employee future benefits reserve	69,375	69,375
<hr/>		
Total special purpose funds	\$ 119,915	\$ 119,915

6 Restricted Assets

NIL Report

7 Portfolio Investments

NIL Report

8 Accounts Receivable

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2016	Net 2015
GNWT	\$ 1,463,710	\$ (145)	\$ 1,463,565	\$ 1,676,464
Other receivables	501,698	(264,444)	237,254	268,500
<hr/>				
Total accounts receivable	\$ 1,965,408	\$ (264,589)	\$ 1,700,819	\$ 1,944,964

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

9 Inventories Held for Use

	2016	2015
General	\$ 214,005	\$ 231,239
Pharmacy	276,877	288,465
Total inventories held for use	\$ 490,882	\$ 519,704

\$26,046 of inventory was written off in 2015-2016

10 Accounts Payable and Accrued Liabilities

	2016	2015
Government of the Northwest Territories	\$ 264,453	\$ 3,784
Other trade payable	1,915,130	1,220,330
Total accounts payable and accrued liabilities	\$ 2,179,583	\$ 1,224,114

	2016	2015
Payroll Liabilities		
Due to the GNWT	\$ 12,175,810	\$ 10,101,217
Total payroll liabilities	\$ 12,175,810	\$ 10,101,217

11 Deferred Revenue

	2016	2015
Department of Health and Social Services		
Healthy living fairs	\$ 17,455	\$ -
Inuvialuit Regional Corporation		
Speech early childhood	1,778	-
	\$ 19,233	\$ -

12 Contributions Repayable

	2016	2015
GNWT - DHSS - Canada Prenatal Nutrition	\$ 15,768	\$ 15,768

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

13 Due to Government of Canada

NIL Report

14 Capital Lease Obligations

NIL Report

15 Pension

NIL Report

16 Employee Future Benefits

Under the conditions of employment, employees qualify for annual leave of varying hours depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the employment of the Authority.

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

	2016	2015
Removal	\$ 1,150,003	\$ 971,133
Termination, severance, resignation, retirement	446,963	414,095
Leave *	901,076	986,961
	2,498,042	2,372,189
Less: Portion included in current portion	1,300,318	1,333,269
Long term portion	\$ 1,197,724	\$ 1,038,920

* Leave

- includes annual, lieu, statutory holidays, and mandatory leave.
- includes leave banks as well as leave accruals and leave payouts due.
- is considered to be a short term liabilities for the purposes of distinguishing employee leave and termination benefits into short and long term categories.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

17 Trust Assets and Liabilities

The Authority has an inactive foundation. When the foundation became inactive, the monies were transferred to the control of the Authority; the Authority has an internal restriction on the funds.

The Authority also has trust assets represented by cash being held in trust for patients.

	2016	2015
Patient cash in trust	\$ 133,050	\$ 166,015
Beaufort-Delta Hospital Foundation	40,272	40,272
Total Trust Assets and Liabilities	\$ 173,322	\$ 206,287

18 Tangible Capital Assets

NIL Report

19 Prepaid Expenses

	2016	2015
Insurance	\$ 21,276	\$ 32,580
Equipment and software	77,316	-
Maintenance	16,677	90,799
Total prepaid expenses	\$ 115,269	\$ 123,379

20 Accumulated Surplus / (Deficit)

	2016	2015
Restricted		
Funded employee future benefits reserve	\$ 69,375	\$ 69,375
Special projects reserve	50,540	50,540
Unrestricted		
Unfunded leave and termination benefits	(2,498,042)	(2,372,189)
Operating surplus / (deficit)	(8,685,738)	(7,734,092)
	\$ (11,063,865)	\$ (9,986,366)

21 Capital Advances from GNWT

NIL report

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

22 GNWT Assets Provided at No Cost

	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
Buildings	\$ 68,726,261	\$ 28,327,229	\$ 40,399,032	\$ 40,881,360
Mainframe and software systems	290,790	266,915	23,875	23,874
Medical equipment	4,448,468	2,947,389	1,501,079	1,212,751
Vehicles	109,928	2,748	107,180	-
Equipment	249,028	249,028	-	-
Leaseholds	178,749	178,749	-	-
	\$ 74,003,224	\$ 31,972,058	\$ 42,031,166	\$ 42,117,985

Rent expense for 2016 is \$2,066,186 (2015: \$2,405,173) with an offsetting grant-in-kind.

23 Contractual Obligation

The Authority has commitments for equipment leases, operational leases and service agreements that will require payment in future years. The minimum annual payments for these commitments are as follows:

	Expires in Fiscal Year	2017	2018 and Thereafter	Total
Equipment leases	2017	\$ 53,638	\$ -	\$ 53,638
Operational leases	2019	7,373,661	4,514,717	11,888,378
		\$ 7,427,299	\$ 4,514,717	\$ 11,942,016

24 Contingent Liabilities

In the normal course of operations, the Authority is subject to claims and litigation. As of March 31, 2016, there were no outstanding claims against the Authority.

Also, 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. The Authority did not have any environmental liabilities during the year.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

25 Prior Year Funding Received

The Authority received prior year funding during the year. The funding is reported in Schedule A and then reversed out of the operating deficit in order to arrive at the annual deficit.

	2016	2015
Restricted physician funding	\$ 173,021	\$ 150,000
Physician maternity/paternity funding	35,000	20,000
	\$ 208,021	\$ 170,000

26 Budget Information

Budget figures were those approved by the Authority's board of directors or Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

27 Economic Dependence

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

28 Subsequent Events

On April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tli Cho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence, after August 1, 2016, the Authority will no longer exist as a separate legal entity.

29 Comparative Amounts

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

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

30 Related Party Transactions

The Authority is related in terms of common ownership to all GNWT created departments, agencies, and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided 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 and internal audit services by the Department of Finance and compensation services provided by Department of Human Resources.

Due from related parties (net of allowance):

	2016	2015
DEA - Tuktoyaktuk	\$ 1,553	\$ -
GNWT - DHSS	1,452,083	1,676,184
GNWT - ECE	10,147	-
GNWT - Human Resources	1,480	-
NWT Housing Corporation	1,001	-
Sahtu Health and Social Services Authority	47,443	36,998
Stanton Territorial Health Authority	30,343	27,180
	1,544,050	1,740,362

Due to related parties:

	2016	2015
Beaufort-Delta Education Council	\$ -	\$ 1,547
GNWT - contributions repayable	15,768	15,768
GNWT - DHSS	293,306	700
GNWT - Financial Shared Services	-	2,500
GNWT - Human Resources	6,899	-
GNWT - Public Works and Services	21,821	-
Payroll - GNWT - Financial Shared Services	12,175,810	10,101,217
NWT Power Corporation	933	-
Petroleum Products Division	118	584
Stanton Territorial Health Authority	29,641	30,072
Yellowknife Health and Social Services Authority	18,744	-
	\$ 12,563,040	\$ 10,152,388

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.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

31 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:

(i) 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, 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 \$100,000.

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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$1,700,819 (2015 - \$1,944,964).

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 Authority in the event of a default. The Authority does have concentration risk. At March 31, 2016, receivables from one customer comprised 75% of the total outstanding accounts receivables (2015 - 86%). The Authority reduces this risk by monitoring overdue balances.

The Authority also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

(ii) 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. All of the Authority's financial assets and financial liabilities at March 31, 2016 mature within the next six months. Total financial assets are \$5,391,742 (2015 - \$3,290,126) and financial liabilities are \$14,563,716 (2015 - \$11,547,386). The authority has disclosed future financial liabilities and commitments in Note 23.

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.

Beaufort Delta Health & Social Services

Notes to Financial Statements

March 31, 2016

32 Expenses by Object

For the year ended March 31	2016 (Unaudited) Budget	2016 Actual	2015 Actual
Compensation and Benefits			
EI / CPP	\$ 39,589	\$ 1,102,504	\$ 1,142,648
Employee benefits	105,972	661,259	704,036
Leave	-	1,711,950	1,508,592
Locums	877,708	2,559,110	2,504,512
Merit / retention bonus	210,328	162,409	307,197
Northern allowance	3,904,206	3,760,973	3,638,610
Other	45,000	422,841	383,900
Overtime / callback / shift responsibility	1,490,706	3,962,590	4,055,567
Purchased services	5,500,089	5,632,467	5,718,353
Removal	131,000	1,397,023	1,059,502
Salaries and wages	24,248,064	19,574,495	19,285,558
Severance / superannuation	5,095,306	2,106,095	2,137,577
	41,647,968	43,053,716	42,446,052
Operations and Maintenance			
Advertising and promotion	34,550	48,154	45,199
Communications	250,200	353,104	328,155
Contracted and general services	371,827	834,875	722,404
Diagnostic and therapeutic supplies	238,150	495,460	511,517
Doubtful accounts	19,837	77,232	249,069
Drugs and vaccines	503,750	714,640	696,924
Education	46,000	95,566	151,069
Equipment maintenance	423,705	268,366	319,150
Foster care	1,353,941	580,657	906,172
General supplies	690,346	880,719	810,894
Interest and bank charges	15,483	22,930	16,722
License and membership fees	467,248	495,687	267,136
Maintenance and biomedical supplies	124,000	116,845	126,202
Medical and surgical supplies	720,487	787,326	817,467
Medical travel	-	511,607	259,676
Minor capital	270,531	198,428	316,144
Office and administrative supplies	152,810	201,846	192,369
Postage and freight	380,000	389,713	400,276
Professional services	85,000	175,942	126,684
Rent	15,500	71,459	51,123
Rental / leases	122,000	128,761	235,613
Travel	676,305	1,584,823	1,689,100
Vehicle operations / maintenance	3,500	43,889	29,835
Contributions	900,130	997,715	532,226
	7,865,300	10,075,744	9,801,126
Total Expenses	\$ 49,513,268	\$ 53,129,460	\$ 52,247,178

Beaufort Delta Health & Social Services

Schedule of Contributions from the GNWT

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core contribution			
Adult support services	\$ 34,000	\$ 34,000	\$ -
Authority administration	2,079,000	2,081,010	3,445,000
Child & family services	4,722,000	3,366,000	-
Client records	517,000	518,000	-
Community Mental health and addictions	2,395,000	2,406,000	5,252,000
Community clinics and health centres	14,397,000	8,879,000	8,707,000
Community wellness programs	-	-	157,000
Diagnostic services	1,945,000	2,044,990	-
Equipment < \$50,000	-	-	48,000
Facility maintenance & support	3,072,000	3,073,000	-
Family violence	856,000	856,000	856,000
Finance	821,000	822,000	-
Foster care	-	1,605,000	1,605,000
Health promotions & community wellness	400,000	-	217,000
Healthy families	-	412,000	-
Homecare & support services	1,305,000	1,315,000	1,268,000
Medical & surgical nursing hospital services	4,748,000	4,754,000	15,486,000
Human resources	172,000	172,000	-
Intervention services	-	160,000	142,000
Long-term care nursing	2,882,000	2,882,000	-
Obstetric & pediatric nursing	-	221,000	-
Operating room nursing	859,000	862,000	-
Pharmacy	261,000	262,000	-
Physician services to NWT residents	-	5,551,000	5,438,000
Residential care - adults	1,946,000	1,944,000	1,946,000
Residential care - children	402,000	402,000	402,000
Systems support	772,000	674,352	-
Therapeutic services	1,315,000	1,317,000	-
	45,900,000	46,613,352	44,969,000
Other contributions			
Dental health	-	32,116	-
Extended homecare	1,103,693	1,333,373	1,175,606
French language services	-	13,602	410
Healthy families	404,000	41,252	404,000
Healthy families collective kitchen	-	49,642	44,890
Healthy living fairs	-	15,722	-
Home based safety education	-	-	3,539
Inuvik warming shelter	-	75,000	75,000
Mental health and first aid: northern adaption workshop	-	14,371	7,545
Mental health first aid and applies suicide preven	-	11,888	12,150
Nutrition Health Canada	-	-	8,842
Professional development initiative	-	-	2,518
Total Department of Health and Social Services	47,407,693	48,200,318	46,703,500
Total contributions from the GNWT	\$ 47,407,693	\$ 48,200,318	\$ 46,703,500

Beaufort Delta Health & Social Services**SCHEDULE A-1****Schedule of Detailed Contribution Funding and Expenditure
Home Care Enhancement (HSS01-000000-2435)**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ 1,333,373	\$ 1,333,373	\$ 1,176,835
Expenditures			
Compensation	1,229,211	1,241,764	1,077,215
Equipment expense	-	1,190	-
Sundry	67,646	41,695	40,864
Supplies	36,516	48,724	58,756
	1,333,373	1,333,373	1,176,835
Surplus	\$ -	\$ -	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Beaufort Delta Health & Social Services**SCHEDULE A-2****Schedule of Detailed Contribution Funding and Expenditure
Healthy Families (HSS01-000000-2744)**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ -	\$ -	\$ 404,000
Expenditures			
Compensation	-	-	241,435
Equipment	-	-	85,000
Sundry	-	-	47,439
Supplies	-	-	30,126
	-	-	404,000
Surplus	\$ -	\$ -	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Beaufort Delta Health & Social Services

Schedule of Recoveries

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Recoveries from the GNWT			
Department of Health			
DHSS - NIHB	\$ 626,000	\$ 1,659,631	\$ 1,876,593
DHSS - Other	488,000	498,911	512,099
	1,114,000	2,158,542	2,388,692
Department of Education, Culture and Employment			
Adult assisted living	300,968	306,575	312,062
Recoveries directly from Related Parties			
Sahtu Health & Social Services Authority	-	150,495	229,075
Stanton Territorial Health Authority	-	91,634	74,870
	-	242,129	303,945
Recoveries directly from Third Parties			
Dietary	176,500	220,965	208,466
Staff rentals	175,000	234,012	241,774
Other	105,132	2,326	9,984
WSCC	58,500	166,001	147,818
GE Canada	-	9,613	-
Patient services	26,000	46,149	33,064
Health pro rebate	15,000	14,638	75,553
ESI Physio Canada	79,475	95,935	34,045
Western Arctic Dental	50,000	42,105	61,910
	685,607	831,744	812,614
Total recoveries	\$ 2,100,575	\$ 3,538,990	\$ 3,817,313

Beaufort Delta Health & Social Services

Schedule of Other Contributions

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	
Other contributions from Related Parties	\$ -	\$ -	\$ -	-
Other contributions from Third Parties				
Inuvialuit Regional Corporation	-	101,545		-
Total Other Contributions	\$ -	\$ 101,545	\$ -	-

Beaufort Delta Health & Social Services

Schedule of Other Income

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	Actual
Other Income from related parties	\$ -	\$ -	\$ -	-
Other Income from Third Parties	-	-	-	-
Total Other Income	\$ -	\$ -	\$ -	-

Beaufort Delta Health & Social Services

Schedule of Expenses by Category

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Compensation and Benefits			
GNWT			
Compensation and benefits	\$ -	\$ -	\$ -
Related Parties			
Compensation and benefits	-	-	-
Third Parties			
Compensation and benefits	41,647,969	43,053,716	42,446,052
Total compensation and benefits	41,647,969	43,053,716	42,446,052
Grants expenses			
GNWT			
Grants expenses	-	-	-
Related Parties			
Grants expenses	-	-	-
Third Parties			
Grants expenses	-	-	-
Total grants expenses	-	-	-
Contributions expenses			
GNWT			
Contributions expenses	-	-	-
Related Parties			
Contributions expenses	-	-	-
Third Parties			
Contributions expenses	900,130	997,715	532,226
Total contributions expenses	900,130	997,715	532,226
Other expenses			
GNWT			
Other expenses	-	-	-
Related parties			
Other expenses	-	-	-
Third parties			
Other expenses	6,965,169	9,078,029	9,268,900
Total other expenses	6,965,169	9,078,029	9,268,900
Total expenses	\$ 49,513,268	\$ 53,129,460	\$ 52,247,178

Beaufort Delta Health & Social Services

Schedule of Reserves

For the Year Ended March 31, 2016

	Surplus / Deficit Reserve		Leave and Termination Benefits Reserve		Special Projects Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ -	\$ -	\$ 69,375	\$ 69,375	\$ 50,540	\$ 50,540	\$ 119,915	\$ 119,915
Additions / reductions to/from reserves	-	-	-	-	-	-	-	-
Transfers between reserves	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Balance, end of the year	\$ -	\$ -	\$ 69,375	\$ 69,375	\$ 50,540	\$ 50,540	\$ 119,915	\$ 119,915

Dehcho Health and Social Services Authority

Financial Statements

March 31, 2016

Dehcho Health and Social Services Authority

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To the Minister of Health and Social Services

Management Responsibility for Financial Reporting for the year ended March 31, 2016

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 Dehcho Health Authority have been conducted within the statutory powers of the Health Authority. The operations and administration of the Health Authority as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Health Authority Board. Any noncompliance has been specifically identified and has been previously communicated to the Minister and Deputy Minister.

Management hereby asserts that auditors have been provided with all relevant records and documentation as well as unrestricted access to the same. Management is not aware of any undisclosed irregularities involving management or employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction. The auditors annually provide an independent, objective audit for the purpose of expressing an opinion on the financial statements in accordance with Canadian generally accepted auditing standards. The auditors also consider whether the transactions that have come to their notice in the course of this audit are, in all significant respects, in accordance with specified legislation and directives from the Department of Health and Social Services of the Government of the Northwest Territories.

Approved and confirmed on behalf of the Dehcho Health and Social Services Authority

A handwritten signature in black ink, appearing to read "Georgina Veldhort", is written over a horizontal line.

Georgina Veldhort
Chief Executive Officer
Dehcho Health and Social Services Authority

DEHCHO Health and Social Services Authority
Box 246, Fort Simpson, NT X0E 0N0
Phone: 867-695-3815 Fax: 867-695-2920



Management Discussion and Analysis for the Year Ended March 31, 2016

Introduction

Dehcho Health and Social Services Authority (DHSSA) 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 Fort Simpson, Fort Providence, Fort Liard, Wrigley, Nahanni Butte, Sambaa K'e (formerly known as Trout Lake), Jean Marie River, and Kakisa. The majority of services to the Hay River Reserve are provided through service contract agreements. It is the responsibility of the DHSSA 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.

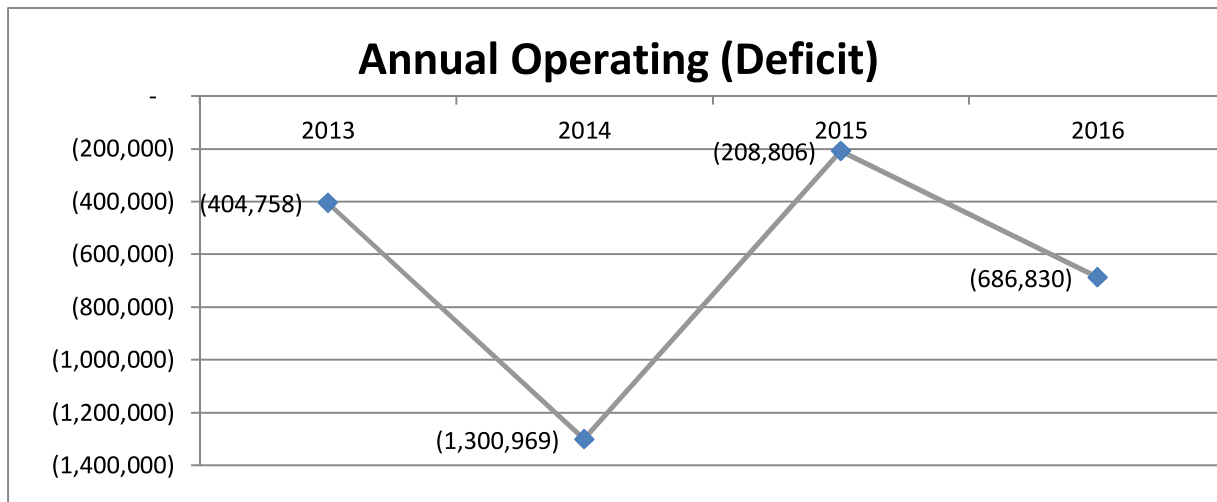
Our mission statement is "Working Together for Healthy Lifestyles" and our Principles are:

- The culture and traditions of Dehcho residents should be represented and respected throughout the service delivery system, including staffing.
- Services shall be integrated and a sustainable delivery system will be maintained.
- Funding shall be spent primarily on programs, rather than administration.
- Funding shall be primarily community directed.
- Education and cross-training will be utilized to ensure a holistic service delivery by all staff.
- Effective coordination of outside medical/specialist care shall be maintained in order to provide quality health care for all residents.
- Personal education and individual responsibility are cornerstones of the health and social services system.

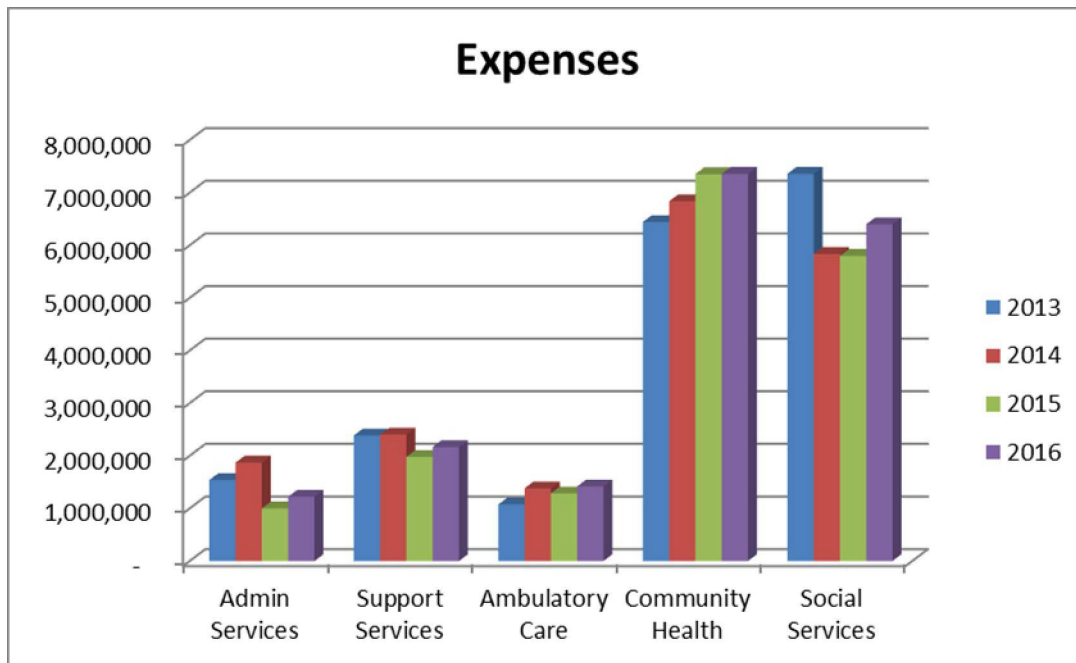
As of August 1, 2016 Dehcho Health and Social Services Authority (DHSSA) will no longer exist as a separate legal entity. DHSSA will become part of the Territorial Health and Social Services Authority. The system transformation will provide a better opportunity to improve access and quality of care and service. The Management and Staff will continue to strive to provide the best health and social services to all of our clients.

The following is a list of the Public Administrator and the key management staff of the DHSSA:

Public Administrator:	Mr. Jim Antoine
Chief Executive Officer/Chief Operating Officer:	Ms. Georgina Veldhorst
Director of Quality and Risk Management:	Mr. Carsen Hardisty
Acting Director of Social Services:	Ms. Carolyn Wilkes
Acting Director of Health Services:	Ms. Sue Lightford
Director of Finance:	Ms. Merle Engel



DHSSA has an accumulated deficit of \$4,491,690 and as shown on the above chart, the deficit continues to grow. The deficit in 2014 was unusually high, mainly due to former CEO payouts during that year. Although management and staff continue to diligently monitor the budget, there are several areas that continue to challenge the Authority. The challenges include unfunded items of the collective agreement, high travel costs, high lab costs and the high costs of medical supplies and medications.



2015 and 2016 saw admin costs return to a normal range and removal/relocation costs were moved from admin and allocated to each program in each community. Support services include: finance, plant maintenance and medical travel with plant maintenance holding 75% of the costs. Community health costs continue to rise due to the challenge of recruitment of professional staff and the resulting increase in casual costs including removal in/out. Social service costs were high in 2013 due to a full complement of staff and a high number of foster children. Lower foster care costs and staff vacancies decreased the costs for 2014 and 2015. Higher foster care partially contributed to the increased costs in 2016.

Operating Environment

Healthy Families

The Healthy Families program serves a number of children and families in Providence and Simpson. One aspect of the Healthy Families program is the Collective Kitchen. This aspect is well attended and provides education and learning on cooking and nutrition, as well as weekly baskets of nutritious foods. The program has faced challenges in Fort Liard including recruitment and accessing families who are reluctant to join the program. Efforts have been made to improve access to families, primarily through incentives, such as those within the Collective Kitchen program. A focus for the future includes increasing public awareness and community program recruitment.

Mental Health and Addictions Services

DHSSA serves an average of approximately 250 clients per month in the Dehcho region. There is a high demand for services and we continue to increase the competencies of our professional staff to address the complexity of service need and build the capacity of friends and families to support residents with mental illness and addictions. Services are provided in 1 to 1 counseling and group formats (such as the Matrix Program). In addition, training to Dehcho residents is provided and includes Mental Health First Aid and Applied Suicide Intervention and Safety Training (ASIST).

DHSSA is challenged to meet the volume and complexity of service demand within the current core funding and staffing capacity. This demand-capacity gap has resulted in higher than ideal staff to caseload ratios, client waitlists which increases risk for adverse events, inability to meet Dehcho residents' demand for training (Mental Health First Aid) and limitations in programming (unable to offer Matrix in Fort Liard).

The Department of Health and Social Services is in the process of developing new strategic directions for mental health and addictions. DHSSA management and staff look forward to the outcome of this process and contributing to finding creative solutions to meeting the high demand for service with an environment of fiscal constraint.

Child, Youth and Family Services

DHSSA currently has 62 children under child protection status in the region and 22 children in foster homes. Overall, in our work with families, 69.3% of our services are voluntary and we strive to work with families in an encouraging and supportive role.

We have been working to strengthen our child protection systems and processes. This has included bringing the entire team together for training; implementing Structure Decision Making (as of April 1, 2016); and, working to maximize client contact and minimize cost. We continue to work on improving our staff capacity and our ability to visit smaller communities on a more frequent basis. We continue to face challenges with foster home recruitment including emergency homes, relief homes, and regular foster homes.

To improve compliance with the Auditor General's recommendations and enhance our overall consistency and quality of service, an annual audit is undertaken and an action plan developed and implemented to address areas of deficiency.

Continuing Care Services

The Continuing Care team provides the following services to the Dehcho region: Health Promotion, Home Care, Long-Term Care, and Dental Hygiene/Therapy. Early Childhood Intervention Services are now provided in Fort Simpson and Flexible Respite services are provided to the residents of Fort Simpson and Fort Providence.

- Health Promotion had approximately 150 group encounters this year. These services were either provided directly by our staff or indirectly through a contract arrangement with Hay River Reserve.

Health Promotion is working on a new initiative, Cancer Sharing Circles. This initiative is in partnership with the Department of Health and Social Services and has a tobacco cessation focus.

- Home Care served 104 clients in the region (includes clients served through a contract arrangement with the Hay River Reserve).

We have implemented an additional pilot initiative to the Home Care program called Flexible Respite. This program is offered to families and caregivers of children and adults with cognitive disabilities and helps prevent care-giver burnout. Referrals can be made a variety of ways including families. For each referral, an assessment of needs is conducted and an individualized plan-of-care is developed in consultation with the family.

- Long-Term Care serves the region with an 18 bed facility. These beds were fully occupied this year. Food Services within Long-Term Care has developed a new dining experience for the residents that includes an increase in traditional food, service at the table with increased choice and engagement with residents during meal.
- Early Childhood Intervention Services is a new pilot project initiated this year and serves groups and individuals in Fort Simpson.
- Dental Hygiene and Therapy serves adults and children throughout the region with oral health promotion activities and individual care appointments.

Health Services

Health Services provides public health, ambulatory care, emergency services and chronic disease management for all 8 communities in the Dehcho region. The following provides an overview of the staff for each of the 3 Health Centres:

- Fort Liard: 2 Community Health Nurses, 1 Nurse-in-Charge, 1 clerk, and 1 custodian
- Fort Providence: 2 Community Health Nurses, 1 Nurse-in-charge, 1 clerk, 1 custodian
- Fort Simpson: 4 Community Health Nurses, 1 Nurse Practitioner, 1 Nurse-in-Charge 3.5 administration staff, and 3 housekeeping/custodial staff
- Health Cabins in Sambaa K'e (formerly known as Trout Lake), Nahanni Butte, Jean Marie River, and Wrigley are each staffed with a Community Health Worker and staff from one of the 3 Health Centres

General Practitioners (Physicians) saw a total of 3,932 patients and Nurse Practitioners saw a total of 483 patients.

Financial Condition

DHSSA continues to operate in a deficit position. With 79% of our funding covering compensation, this area continues to be the largest challenge. Increased occupational health and safety risks and public expectations also contribute to increased cost pressures with no offsetting increase to the funding.

The liquidity of the Authority is a concern with cash of \$19,277 and \$3,672,670 in total current liabilities at year end. The DHSSA has current liabilities of \$3,011,305 owed to the GNWT for outstanding payroll invoices since mid-January, 2016. In addition, DHSSA has an additional \$661,365 owed to other vendors.

Over the past several years, considerable effort has gone into improving the systems and processes for operating within an environment of fiscal constraint while improving quality of care and service to the residents of the Dehcho communities. Although the cost of maintaining basic services continues to grow, we are looking for opportunities to reduce costs, improve quality and retain required staff. Management is currently more involved in preparing the budget and analysis of the variances from the budget.

Summary and Outlook

Our achievements and successes for the year include the following:

Food Service: We changed our style of service from a pre-plated tray service to serving food from a mobile steam table directly at the table in our Long-Term Care home. This ensures proper food safety and temperature control. It provides observable choices for residents and decreases food wastage. It promotes more engagement between the staff and the residents and ultimately a higher quality, more respectful dining experience.

Early Childhood Intervention Program: We have implemented a 3 year pilot project for preschool children and their parents. This program supports parents to navigate the health care system. The program coordinator case manages children and coordinates the care team including specialists. The coordinator also participates in well child exams in order to promote early detection of developmental delays. Group education and resources are also provided to the local early childhood program which promotes strong collaboration within the community.

Our challenges include the following:

DHSSA continues to experience challenges in recruiting and retaining health and social services professionals. The need for high quality professionals is acute and the level of current vacancies poses a potential risk. We continue to try to recruit and retain qualified staff and have found some success in job sharing.

DHSSA has also experienced considerable turnover in its senior level management over the past 4 years. We have now recruited an Associate Chief Operating Officer (ACOO) to engage in a two year development program and a Chief Executive Officer (who will be the Chief Operating Officer with the integration of DHSSA into the new Territorial Health and Social Services Authority on August 1, 2016) to lead the DHSSA and mentor and coach the (ACOO). DHSSA continues to look for opportunities to hire, develop and promote Priority 1 and Priority 2 staff across and at all levels within the organization.

On August 1, 2016 Dehcho Health and Social Services Authority will no longer be a separate legal authority and will become part of the Territorial Health and Social Services Authority. It is expected that the opportunity to effectively utilize the economies of scale will reduce the deficit and continue to provide quality client-focused services.



Georgina Veldhorst,
Chief Executive Officer/Chief Operating Officer
Dehcho Health and Social Services Authority

Independent Auditors' Report

To the Minister of Health and Social Services Government of the Northwest Territories

We have audited the accompanying financial statements of the Dehcho Health and Social Services Authority as at March 31, 2016, which comprise the statement of operations and the statements of financial position, changes in net debt, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures for all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more as listed on Schedule A.

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. Management is also responsible for the preparation of the schedule of 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 accordance with the financial guidelines of the Department of Health and Social Services.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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 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

Salaries and related benefits paid to employees of the Authority 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 were not able to determine whether any adjustments might be necessary to compensation and benefits expenditures, payroll liabilities, employee future benefits, net financial debt, and accumulated deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

The Authority has inventory valued at \$87,628 on the statement of financial position for which an independent audit count was not conducted and for which some items are held for use in the event of emergencies only. Alternative methods of audit of the inventory are not possible; accordingly, we are unable to determine if any adjustments are required to the inventory value reported.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material aspects, the financial position of the Dehcho Health and Social Services Authority as at March 31, 2016, and its financial operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, applied on a basis consistent with the preceding year. Furthermore, except for the limitation relating to payroll as described above, Schedule A presents 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 for the year ended March 31, 2016, in accordance with the financial guidelines of the Department of Health and Social Services.

Report on Other Legal and Regulatory Requirements

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

The financial statements of the Authority for the year ended March 31, 2015 were audited by another auditor who expressed a qualified opinion (due to payroll scope limitation) on those financial statements on June 26, 2015.

Yellowknife, Northwest Territories
June 30, 2016



Chartered Accountants

Dehcho Health and Social Services Authority

STATEMENT I

Statement of Financial Position

As at March 31,	2016	2015
Financial Assets		
Cash (Note 4)	\$ 19,277	\$ 145,878
Accounts Receivable (Note 8)	387,370	628,742
Trust Assets (Note 17)	725	1,067
	407,372	775,687
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	661,366	548,602
Payroll Liabilities (Note 10)	3,011,305	2,760,928
Contributions Repayable (Note 12)	152,055	108,224
Employee Future Benefits (Note 16)	1,166,426	1,057,954
Trust Liabilities (Note 17)	725	1,067
	4,991,887	4,476,775
Net Financial Assets (Debt)	(4,584,515)	(3,701,088)
Non-Financial Assets		
Inventories Held for Use (Note 9)	87,628	-
Prepaid Expenses (Note 19)	5,197	4,700
	92,825	4,700
Accumulated Surplus / (Deficit) (Note 20)	\$ (4,491,690)	\$ (3,696,388)
Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		

Approved on behalf of the Authority


 Georgina Veldhorst
 Chief Executive Officer


 Muriel Engel, CPA, CGA
 Chief Financial Officer

Dehcho Health and Social Services Authority

Statement of Operations

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Revenue			
Contributions from GNWT (Schedule A)	\$ 16,330,107	\$ 16,932,388	\$ 16,437,466
Contributions from other sources (Schedule C)	-	-	-
Interest income	20,000	10,882	19,460
Other income (Schedule D)	-	-	-
Recoveries (Schedule B)	832,275	807,167	794,968
	17,182,382	17,750,437	17,251,894
Expenses			
Administration and support	2,893,299	3,370,241	2,979,125
Nursing inpatient services	-	-	-
Ambulatory care	1,419,000	1,419,000	1,285,000
Regional health services	6,701,454	7,357,179	7,352,381
Regional social services	6,168,629	6,399,319	5,799,508
Total expenses (Schedule E)	17,182,382	18,545,739	17,416,014
Operating Surplus / (Deficit)	-	(795,302)	(164,120)
Prior Year Funding Received	-	-	-
Operating Surplus / (Deficit) Before Prior Year Funding	-	(795,302)	(164,120)
Unfunded Items			
Change in employee leave and termination benefits (Note 16)	-	108,472	(44,686)
Annual Surplus / (Deficit) Before The Following	-	(686,830)	(208,806)
Rent expense - GNWT assets provided at no cost	-	(716,143)	(429,687)
Grant-in-kind - GNWT assets provided at no cost	-	716,143	429,687
Annual Surplus / (Deficit)	-	(686,830)	(208,806)
Opening Accumulated Surplus / (Deficit)	-	(3,696,388)	(3,532,268)
Closing Accumulated Surplus / (Deficit) (Note 20)	\$ -	\$ (4,491,690)	\$ (3,696,388)

Dehcho Health and Social Services Authority

Statement of Changes in Net Financial Debt

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Operating Surplus / (Deficit)	\$ -	\$ (795,302)	\$ (164,120)
Adjustments			
Write-down of tangible capital assets	-	-	1
Decrease / (increase) in inventories held for use	-	(87,628)	-
Decrease / (increase) in prepaid expenses	-	(497)	(4,700)
(Increase) / decrease in net debt	-	(883,427)	(168,819)
Opening net financial resources	(3,701,088)	(3,701,088)	(3,532,269)
Closing net financial resources	\$ (3,701,088)	\$ (4,584,515)	\$ (3,701,088)

Dehcho Health and Social Services Authority

Statement of Cash Flows

For the year ended March 31,	2016	2015
Cash Provided By (Used In)		
Operating Transactions		
Operating Surplus / (Deficit)	\$ (795,302)	\$ (164,120)
Items not affecting cash:		
Changes in Non-cash Assets and Liabilities		
Decrease / (increase) in accounts receivable	241,372	5,132
Decrease / (increase) in inventories for sale	(87,628)	-
Increase / (decrease) in accounts payable and accrued liabilities	112,764	(127,949)
Increase / (decrease) in payroll liabilities	250,377	(26,453)
Increase / (decrease) in employee future benefits	108,472	(44,686)
Increase / (decrease) in contributions repayable	43,841	-
Increase / (decrease) in prepaid expenses	(497)	(4,700)
Cash Provided by (Used for) Operating Transactions	(126,601)	(362,776)
Investing Transactions		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash Provided by (Used for) Investing Transactions	-	-
Capital Transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash Provided by (Used for) Capital Transactions	-	-
Financing Transactions		
Net proceeds from capital lease obligations	-	-
Other	-	-
Cash Provided by (Used for) Financing Transactions	-	-
Increase / (decrease) in cash and cash equivalents	(126,601)	(362,776)
Cash and cash equivalents, beginning of year	145,878	508,654
Cash and cash equivalents, end of year	\$ 19,277	\$ 145,878
Represented by:		
Cash	\$ 19,277	\$ 145,878
	\$ 19,277	\$ 145,878
Total interest paid during the year \$1,775 (2015 - \$2,306)		

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

1. Authority

The Dehcho Health and Social Services Authority (the "Authority") operates under the authority of the *Hospital Insurance and Health and Social Services Act* of the Northwest Territories. The Authority was established to manage, control, and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. Basis of Presentation and 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 and by the directives 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:

(a) Cash and cash equivalents

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

(b) Funds

The Authority 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 Authority are:

Operating Fund - reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Surplus 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.

Termination 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.

The Authority does not have sufficient funds to establish either of these reserves.

(d) 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 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 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 with an offsetting corresponding amount as a Grant-In-Kind revenue.

(e) Inventories 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. 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 Authority annually accrues estimated employee leave and termination benefits payable.

(g) Pension contributions

The Authority and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(h) Revenue recognition

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

Billings processed through ICORE system by the medical centre's billing clerks are recognized as revenue upon submission of claim to the DHSS's Health Services Administration in Inuvik.

Other revenue is recognized when the service is performed or the goods are provided.

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

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

(i) Financial instruments

The 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, payroll liabilities, and contributions repayable. 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.

(j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authorities unless they are sold.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(k) Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards require 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. Actual results could differ from these estimates.

3 Future Accounting Changes

a) Inter-entity transactions, Section PS 3420

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

b) Assets, Section PS 3210

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

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

c) Contingent Assets, Section PS 3320

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

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

d) Contractual Rights, Section PS 3380

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

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

e) 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. The impact of the transition to these accounting standards is being reviewed by management.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

4 Cash

	2016	2015
Unrestricted Cash	\$ 19,277	\$ 145,878
Total cash	\$ 19,277	\$ 145,878

5 Special Purpose Funds

Nil report

6 Restricted Assets

NIL Report

7 Portfolio Investments

NIL Report

8 Accounts Receivable

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2016	Net 2015
GNWT	\$ 324,668	\$ -	\$ 324,668	\$ 577,900
WSCC - NWT	11,227	-	11,227	11,519
Other	101,767	(50,292)	51,475	39,323
Total accounts receivable	\$ 437,662	\$ (50,292)	\$ 387,370	\$ 628,742

9 Inventories Held for Use

	2016	2015
Pharmacy	\$ 87,628	\$ -

\$11,850 of inventory was written off in 2015-2016

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

10 Accounts Payable and Accrued Liabilities

	2016	2015
Government of the Northwest Territories	\$ 294,867	\$ 283,402
Government of Canada	974	-
Other	365,525	265,200
Total accounts payable and accrued liabilities	\$ 661,366	\$ 548,602

	2016	2015
Payroll Liabilities		
Due to the GNWT	\$ 3,011,305	\$ 2,760,928
Total payroll liabilities	\$ 3,011,305	\$ 2,760,928

11 Deferred Revenue

NIL Report

12 Contributions Repayable

	2016	2015
GNWT - DHSS - healthy family choices	\$ 67,803	\$ 67,803
GNWT - DHSS - homecare (2013)	1,133	1,133
GNWT - DHSS - homecare (2014)	39,288	39,288
GNWT - DHSS - collective kitchen	8,872	-
GNWT - DHSS - respite pilot project	34,969	-
	\$ 152,065	\$ 108,224

13 Due to Government of Canada

NIL report

14 Capital Lease Obligations

NIL Report

15 Pension

NIL Report

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

16 Employee Future Benefits

Under the conditions of employment, employees qualify for annual leave of varying hours depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the employment of the Authority.

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

	2016	2015
Removal	\$ 297,881	\$ 291,448
Termination, severance, resignation, retirement	416,238	334,036
Leave *	452,307	432,470
	<u>1,166,426</u>	<u>1,057,954</u>
Less: portion included in current portion	630,837	588,841
Long term portion	<u>\$ 535,589</u>	<u>\$ 469,113</u>

* Leave

- includes annual, lieu, statutory holidays, and mandatory leave.
- includes leave banks as well as leave accruals and leave payouts due.
- is considered to be short term liabilities for the purpose of distinguishing Employee Future Benefits into short and long term categories.

17 Trust Assets and Liabilities

The trust assets represents cash being held in trust for patients.

	2016	2015
Patient cash in trust	\$ 725	\$ 1,067
Total trust assets and liabilities	<u>\$ 725</u>	<u>\$ 1,067</u>

18 Tangible Capital Assets

NIL Report

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

19 Prepaid Expenses

	2016	2015
Rent	\$ -	\$ 4,700
Maintenance	596	-
Other	1,021	-
Travel advances	3,580	-
Total prepaid expenses	\$ 5,197	\$ 4,700

20 Accumulated Surplus / (Deficit)

	2016	2015
Unrestricted		
Unfunded leave and termination benefits	\$ (1,166,426)	\$ (1,057,954)
Operating surplus / (deficit)	(3,325,264)	(2,638,434)
	\$ (4,491,690)	\$ (3,696,388)

21 Capital Advances from GNWT

No capital advances from the GNWT.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

22 GNWT Assets Provided at No Cost

	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
Buildings	\$ 26,767,274	\$ 8,109,956	\$ 18,657,318	\$ 7,678,835
Leasehold improvements	1,208,365	452,586	755,779	61,280
Vehicles	51,588	15,189	36,399	39,837
	\$ 28,027,227	\$ 8,577,731	\$ 19,449,496	\$ 7,779,952

Rent expense for 2016 is \$716,143 (2015: \$429,687) with an offsetting grant-in-kind.

23 Contractual Obligation

The Authority has commitments for apartment and equipment leases that will require payment in future years. The minimum annual payments for these commitments are as follows:

	Expires in Fiscal Year	2017	2018 and Thereafter	Total
Residential leases	2019	\$ 40,800	\$ 81,600	\$ 122,400
Equipment leases	2020	17,906	11,712	29,618
		\$ 58,706	\$ 93,312	\$ 152,018

24 Contingent Liabilities

In the normal course of operations, the Authority is subject to claims and litigation. As of March 31, 2016, there were no outstanding claims against the Authority.

Also, 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. The Authority did not have any environmental liabilities during the year.

25 Prior Year Funding Received

NIL Report

26 Budget Information

Budget figures were those approved by the Authority's Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

27 Economic Dependence

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

28 Subsequent Events

On April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tli Cho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence, after August 1, 2016, the Authority will no longer exist as a separate legal entity.

29 Comparative Amounts

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

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

30 Related Party Transactions

The Authority is related in terms of common ownership to all GNWT created departments, agencies, and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided 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 and internal audit services by the Department of Finance and compensation services provided by Department of Human Resources.

Due from related parties (net of allowance):

	2016	2015
GNWT - DHSS	\$ 324,668	\$ 577,900
WSCC	11,650	-
Stanton Territorial Health Authority	-	2,042
	336,318	579,942

Due to related parties:

	2016	2015
GNWT - DHSS	\$ 359,283	\$ 283,403
GNWT - Finance (Payroll)	3,011,305	2,760,928
GNWT - Contributions Repayable	152,065	108,223
Hay River Health and Social Services Authority	-	87
Stanton Territorial Health Authority	20,043	229
NWT Power	-	1,167
Department of Public Works	-	197
	\$ 3,542,696	\$ 3,154,234

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.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

31 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:

(i) 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, 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 \$100,000.

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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$387,370 (2015 - \$628,742).

Concentration of credit risk

Concentration of credit risk is the risk that a customer(s) has a significant portion 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 risk. At March 31, 2016, receivables from one customer comprised 74% of the total outstanding accounts receivables (2015 - 84%). The Authority reduces this risk by monitoring overdue balances.

The Authority also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

(ii) 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. All of the Authority's financial assets and financial liabilities at March 31, 2016 mature within the next six months. Total financial assets are \$407,372 (2015 - \$775,687) and financial liabilities are \$3,825,461 (2015 - \$3,418,821). The authority has disclosed future financial liabilities and commitments in Note 23.

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.

Dehcho Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

32 Expenses by Object

For the year ended March 31	2016 (Unaudited) Budget	2016 Actual	2015 Actual
Compensation and Benefits			
Board honoraria	\$ 75,000	\$ 51,780	\$ 112,875
EI / CPP	-	441,399	480,615
Employee benefits	1,994,816	1,283,412	1,256,535
Leave	-	59,569	79,178
Locums	1,223,951	1,251,590	1,043,951
Northern allowance	934,634	950,465	939,645
Overtime / callback / shift responsibility	-	92,959	81,420
Purchased services	-	-	36,500
Removal	14,000	586,095	129,727
Salaries and wages	9,308,779	9,956,604	9,395,201
	13,551,180	14,673,873	13,555,647
Operations and Maintenance			
Advertising and promotion	28,500	22,878	18,565
Communications	179,580	192,755	178,687
Contracted and general services	681,694	583,325	486,711
Doubtful accounts	-	(10,026)	221
Education	54,330	94,245	88,142
Equipment maintenance	23,000	32,204	21,814
Foster care	469,000	442,703	319,860
General supplies	337,244	329,578	316,320
License and membership fees	34,203	50,633	53,528
Medical and surgical supplies	406,363	353,673	452,562
Minor capital	20,000	142,516	21,027
Other	53,383	294,617	413,808
Postage and freight	74,000	82,699	101,607
Professional services	25,000	29,317	28,855
Rental / leases	112,752	136,053	139,992
Support Agreement Per Diem	28,000	39,989	44,080
TSC support	230,000	337,685	273,453
Travel	742,483	633,407	760,724
Vehicle operations / maintenance	131,670	83,615	140,411
	3,631,202	3,871,866	3,860,367
Total Expenses	\$ 17,182,382	\$ 18,545,739	\$ 17,416,014

Dehcho Health and Social Services Authority

Schedule of Contributions from the GNWT

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core contribution			
Adult support services	\$ 1,717,000	\$ 1,714,000	\$ 1,656,000
Authority administration	864,000	863,000	1,601,000
Child & family services	2,539,000	2,544,000	-
Community clinics and health centres	7,912,000	7,945,000	6,382,000
Community Mental health and addictions	1,240,000	1,245,000	234,000
Community wellness programs	-	-	47,000
Equipment < \$50,000	-	-	20,000
Family violence	46,000	46,000	46,000
Finance	485,000	484,000	-
Foster care	-	-	631,000
Health promotions & community wellness	56,000	462,000	9,000
Homecare & support services	692,000	697,000	678,000
Intervention services	-	-	170,000
Physician services to NWT residents	-	-	1,285,000
Social service delivery	-	-	2,892,000
Therapeutic services	311,000	311,000	-
	15,862,000	16,311,000	15,651,000
Other contributions			
Collective Kitchen	-	30,959	22,283
Dietician funding	25,000	-	-
Flexible Respite Pilot Project	-	316	-
French language program	-	-	24,871
Healthy family choices	-	-	246,677
Homecare Enhancement	443,107	501,406	489,287
Improving Safety for Victims of Family Violence	-	63,651	-
Mental Health First Aid	-	25,056	-
Safety for victims of family violence	-	-	3,348
Total Department of Health and Social Services	16,330,107	16,932,388	16,437,466
Total contributions from the GNWT	\$ 16,330,107	\$ 16,932,388	\$ 16,437,466

Dehcho Health and Social Services Authority

SCHEDULE A-1

**Schedule of Detailed Contribution Funding and Expenditure
Home & Community Care Enhancement (HSS01-000002614am2)**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Department of Health			
Home & Community Care Enhancement	\$ 501,406	\$ 501,406	\$ 489,287
	501,406	501,406	489,287
Expenditures			
Compensation	441,406	484,277	476,004
Training & Development	20,000	11,306	18,958
Staff Travel	5,000	3,407	3,625
Hay River Reserve Contract	35,000	35,000	35,000
	501,406	533,990	533,587
Expenditures over Revenue	\$ -	\$ (32,584)	\$ (44,300)

See payroll scope limitation in the Independent Auditors' Report.

Dehcho Health and Social Services Authority

Schedule of Recoveries

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Recoveries from the GNWT			
Department of Health			
Non Insured Services	\$ -	\$ -	\$ 193
Non-residents of the Territories	100,000	76,653	71,071
Other recoveries	278,350	93,787	28,764
Youth on the land program	-	-	134,668
Dental	75,640	100,446	117,788
Billback Recoveries	-	228,987	90,156
	453,990	499,873	442,640
	-	-	-
Recoveries directly from Third Parties			
Extended care	166,752	160,911	156,845
Meals on wheels	7,200	5,300	860
Other	89,533	41,548	84,975
Staff rental	55,000	43,121	47,876
Vaccinnes	22,500	1,744	2,889
WSCC	37,300	54,670	58,883
	378,285	307,294	352,328
Total recoveries	\$ 832,275	\$ 807,167	\$ 794,968

Dehcho Health and Social Services Authority

Schedule of Other Contributions

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	
Other Contributions from Related Parties	\$ -	\$ -	\$ -	-
Other contributions from Third Parties	-	-	-	-
Total Other Contributions	\$ -	\$ -	\$ -	-

Dehcho Health and Social Services Authority

Schedule of Other Income

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	Actual
Other Income from related parties	\$ -	\$ -	\$ -	-
Other Income from Third Parties	-	-	-	-
Total Other Income	\$ -	\$ -	\$ -	-

Dehcho Health and Social Services Authority

Schedule of Expenses

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Compensation and Benefits			
GNWT			
Compensation and benefits expenses	\$ -	\$ -	\$ -
Related Parties			
Compensation and benefits expenses	-	-	-
Third Parties			
Compensation and benefits expenses	13,551,180	14,673,873	13,555,647
Total compensation and benefits	13,551,180	14,673,873	13,555,647
Grants expenses			
GNWT			
Grants expenses	-	-	-
Related Parties			
Grants expenses	-	-	-
Third Parties			
Grants expenses	-	-	-
Total grants expenses	-	-	-
Contributions expenses			
GNWT			
Contributions expenses	-	-	-
Related Parties			
Contributions expenses	-	-	-
Third Parties			
Contributions expenses	-	-	-
Total contributions expenses	-	-	-
Other expenses			
GNWT			
Public Works Department	-	14,193	15,185
NWT Power Corporation	-	1,600	1,043
Related parties			
Fort Smith Health and Social Services Authority	-	6,300	-
Hay River Health and Social Services Authority	-	11,245	6,402
Sahtu Health and Social Services Authority	-	-	4,249
Stanton Territorial Health Authority	-	80,440	87,453
Tlicho Community Services Agency	-	6,203	-
Yellowknife Health and Social Services Authority	-	1,632	-
Third parties			
Other expenses - third parties	3,631,202	3,750,253	3,746,035
Total other expenses	3,631,202	3,871,866	3,860,367
Total expenses	\$ 17,182,382	\$ 18,545,739	\$ 17,416,014

Dehcho Health and Social Services Authority

Schedule of Reserves

For the Year Ended March 31, 2016

	Surplus / Deficit Reserve		Leave and Termination Benefits Reserve		Special Projects Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions / reductions to/from reserves	-	-	-	-	-	-	-	-
Transfers between reserves	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Balance, end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fort Smith Health and Social Services Authority

Financial Statements

March 31, 2016

Fort Smith Health and Social Services Authority

Financial Statements

March 31, 2016

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FORT SMITH HEALTH & SOCIAL SERVICES

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**To the Minister of Health and Social Services
Government of the Northwest Territories**

Management's Responsibility for Financial Reporting For the Year Ended March 31, 2016

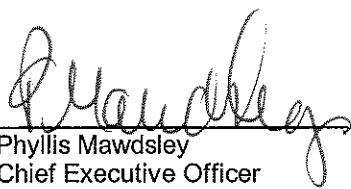
The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the Authority in all material respects and in accordance with Canadian Public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

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Authority as well as the supporting internal controls of the Authority 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, PSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority. Any non-compliance has been specifically identified and has been communicated to the Minister and Deputy Minister.

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

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

Approved and Confirmed on behalf of Fort Smith Health and Social Services Authority


Phyllis Mawdsley
Chief Executive Officer
Fort Smith Health and Social Services Authority

June 23, 2016



FORT SMITH HEALTH & SOCIAL SERVICES

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Management Discussion & Analysis March 31, 2016

Introduction

The Fort Smith Health and Social Services Authority (FSHSSA) acknowledge the need to prepare the Management Discussion and Analysis (MD&A) as a go-forward responsibility of management, and the Board of Management, to promote transparency and accountability.

The FSHSSA is dedicated to achieving the shared vision: “Empower people to live healthy, productive lives”. The FSHSSA places quality improvement at the forefront of all programming and services from direct patient care to policy development to cleaning of the facilities.

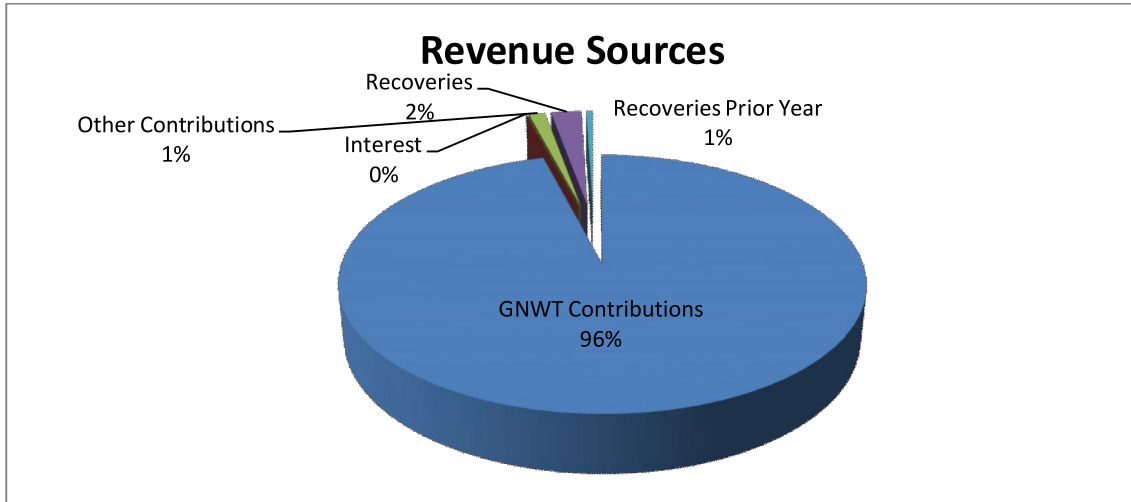
The FSHSSA is an accredited organization that offers a comprehensive range of community health and social programs to approximately 2,500 residents of Fort Smith and the surrounding area. While the FSHSSA is a community based, it also plays a territorial role in providing services to a territorial long term care facility, the main campus of Aurora College, a territorial Youth Treatment Centre, and two territorial Correction Facilities utilized by other regions of the Northwest territories and Nunavut. The FSHSSA has a dedicated workforce of approximately 150 employees and is able to recruit and retain a number of long term professional staff members and approximately 30 contracted service providers.

The FSHSSA has a functioning Board of Management that meets monthly, composed of members from representative organizations of the community including the Fort Smith Metis Council, Salt River First Nation, and Town of Fort Smith. There are a number of well-functioning committees within the FSHSSA, including Operational Health & Safety, Clinical Practice Advisory Committee, Ethics Committee, Infection Control, and Emergency Measure Committee among others.

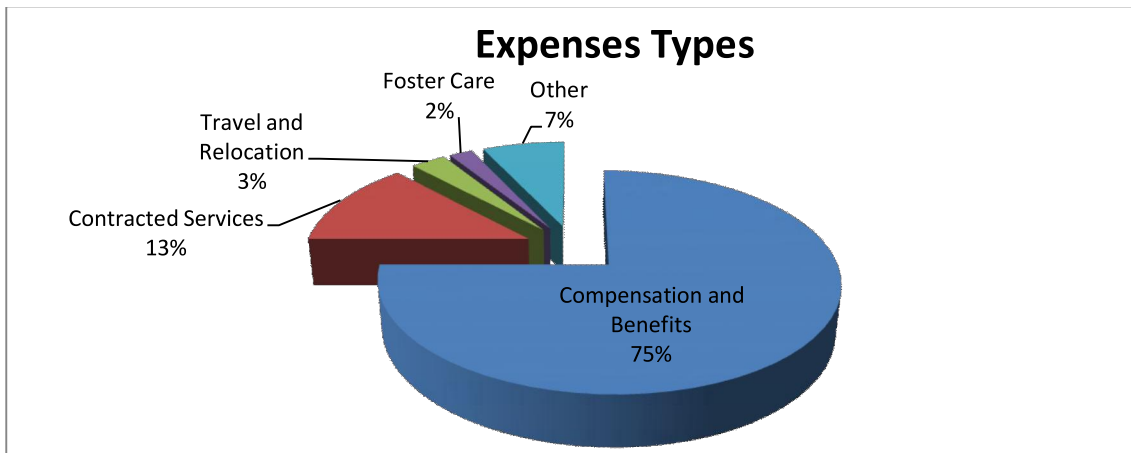
Operating Environment

The FSHSSA delivers publicly-funded health and social services under the Hospital Insurance and Health and Social Services Administration Act. FSHSSA is primarily funded by the Government of Northwest Territories (GNWT), that faces and is operating in an environment of fiscal restraint. The cost of providing health and social services programs is high and, therefore, requires increased funding. Furthermore, the cost of recruiting, relocation, licensing, and retaining professional staffing is also high. The FSHSSA implemented cost-saving measures that aim to reduce the deficit and allows the FSHSSA to strive towards a balanced budget.

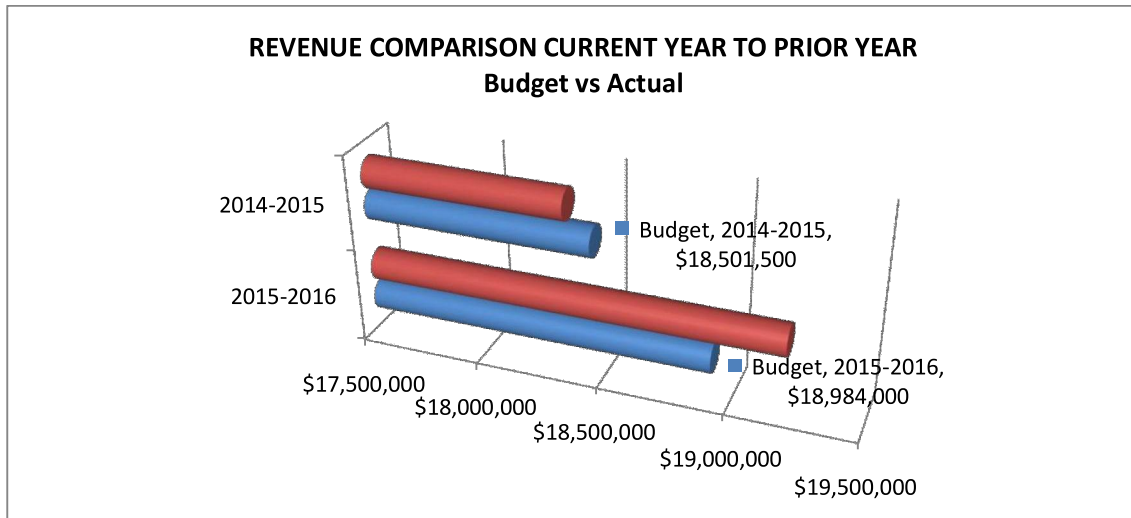
Financial Condition



Fort Smith Health and Social Services Authority (FSHSSA) received overall \$19,197,454 in revenue in 2015-16. The main source of revenue is obtained from Government of Northwest Territories (GNWT) thru contribution agreement. The GNWT contributes to 96% of the revenue of FSHSSA, totaling to \$18,408,170. Other contributions reflect only 2% of all sources of revenue, totaling to \$238,836. Other contributions include the following: Technology Service Centre (TSC) Transition, French Language Services, Home Care Enhancement (HCE), Healthy Family Collective Kitchen, Mental Health First Aid, New Parent Baby Box, Applied Suicide Intervention Skills, and Relevant Experience Program (REP). The earned interest was at \$6,052. Furthermore, FSHSSA has recovered overall \$446,597 from various sources, such as rent, vaccines, WSCC, out of territory client visits, Medicare, and other.

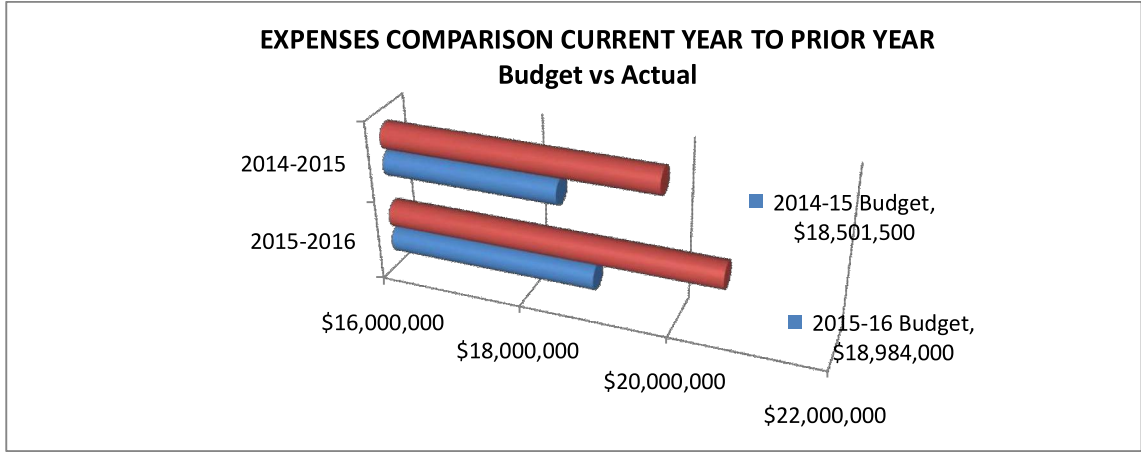


Fort Smith Health and Social Services Authority (FSHSSA) expenses were at \$20,614,781 in 2015-16. Compensation and Benefits account for 75% of the expenses, totaling \$15,532,547. Contracted services account for 13% of total expenses, totaling \$2,577,467. Travel and relocation account for 3% of total expenses, totaling \$519,647. Furthermore, Other Expenses account for 7% of the expenses, totaling \$1,542,498.

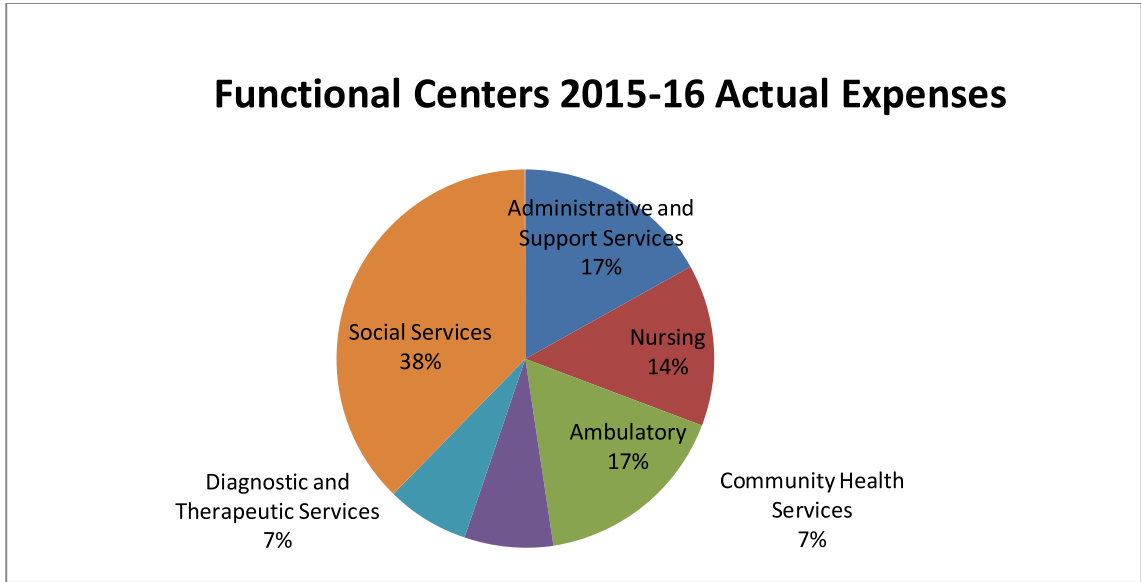


In 2014-15, the revenue was budgeted at \$18,501,500 and the actual revenue received was \$18,331,797, contributing in negative variance of approximately \$170,000 due to overstatement for budgeted Home Care Enhancement (HCE) contribution revenue. In 2015-16, the revenue was budgeted at \$18,984,000 and the actual revenue received was \$19,197,454, resulting in positive variance of approximately \$213,000. Positive variance reflects additional funding that include the following: Human Resources (HR) Graduate internship at \$42,000, HR REP funding at \$18,000, physician maternity cost partial reimbursement at \$11,000, Dynalife laboratory contracting cost reimbursement at \$19,000, CRA GST Rebate at \$64,000, TSC contribution at \$26,000, and Home Care Enhancement contribution additional funding at \$33,000.

Furthermore, the FSHSSA received in 2014-15 physician funding adjustment to offset the preceding year deficit by \$54,000. In 2015-16, the FSHSSA received physician funding adjustment to offset the preceding year deficit by \$97,799.



In 2014-15, the budgeted expenses were at \$18,501,500 and the actual expenses were at \$19,786,091, resulting in unfavorable variance of \$1,284,591. In 2015-16, the budgeted expenses were at \$18,984,000 and the actual expenses were at \$20,614,781, resulting in unfavorable variance of \$1,630,781.



Social Services account for 38% of the total expenses, totaling to \$7,771,090. This includes Social Programs, Foster Care, Mental Health and Addictions, Sutherland House-Woman Shelter, and Residential Care for Children and Adults (Northern Lights Continuing Care). Northern Lights Continuing Care Facility is 28 bed and 24/7 type facility. Overall, this area had favorable variance of \$42,000.

Ambulatory Care Services account for 17% of the total expenses, totaling to \$3,474,574. This includes physicians and clinic costs. Overall, the area contributed to unfavorable variance of approximately \$500,000 due to Locum Physician Model that carries additional costs, such as relocation, accommodation, and vehicle expense.

Nursing Services reflects Emergency 24/7, Inpatient, and Midwifery program and account for 14% of the total expenses, totaling to \$2,851,650. Overall, the area contributed to negative variance due to unfunded backfill for maternity leave and unfunded overtime that resulted from vacancies and the need to provide coverage in Emergency 24/7.

Diagnostic and Therapeutic Services account for 7% of total expenses, totaling to \$1,570,163. Diagnostic services include Laboratory and X-ray services. Therapeutic Services includes Physiotherapy, Occupational Therapy, and Speech Therapy. Overall, there is an unfavorable variance of approximately \$230,000 attributable to Diagnostic Services, specifically, standby cost, equipment maintenance cost, and referred out laboratory testing contract cost.

Community Health Services account for 7% of total expenses, totaling to \$1,453,503. This includes Public Health, Dental Therapy, and Dietian Services. There is an unfavorable variance of approximately \$145,000 due to unfunded Dietitian position; this position has been identified as top priority in the community needs assessment report.

Administrative and Support Services account for 17% of the total expenses, totaling \$3,487,988. This area includes Executive, Board of Management, Quality Assurance, Finance, Purchasing, Medical Records, Information Technology, French Language Services, Housekeeping, Laundry, and Facility Services. There is an unfavorable variance of approximately \$488,000, attributable primarily to two unfunded housekeeping positions that were hired to mitigate the infection control risk, unfunded maternity backfill, and unfunded medical records positions that were hired to promote access to information, privacy, and health information systems.

As of March 31, 2016 the FSHSSA incurred an operating deficit of \$1,511,104, consequently increasing the accumulated operating deficit to \$6,590,101.

The Fort Smith Health and Social Services Authorities accumulated deficit is attributed to a number of factors:

1. This year the FSHSSA incurred relocation expenses for staff hiring of both permanent and locum staff of \$351,000; this amount includes approximately \$144,000 for Locum physicians' relocation. This operating cost is not part of the FSHSSA base budget. The FSHSSA has taken steps on filling the vacancies on an indeterminate and term basis.
2. The FSHSSA was \$1,151,952 over budget in overtime, call back, shift responsibility, and stand by pay across the organization.
3. This year Foster Care expenses exceeded budget by approximately \$200,000. In 2014-2015 the Foster Care expenses exceeded budget by approximately \$160,000.

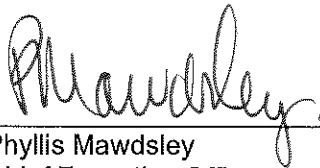
During 2015-16, FSHSSA has achieved many accomplishments:

- Accreditation with commendation
- Finalization of four year renovation project
- Integration of French language services into service delivery
- Transition to TSC achieving standardization and business continuity
- Finalization of implementation and process improvement in financial system Virtuo/Ormed and Medworxx
- Retention of two indeterminate physicians
- Retention of long term staffing
- Cohesive leadership team

Furthermore, FSHSSA seeks opportunities on a daily basis to improve; currently, the FSHSSA is working on enhancing infection control standards; specifically, the biomedical waste management process has been revised to improve process and reduce associated risk.

Summary and Outlook

To conclude, effective August 1, 2016 the FSHSSA will be transition into one Territorial Health and Social Services Authority. We are very optimistic that we will achieve efficiencies and effectiveness in required operating business and clinical processes as part of one Territorial Health and Social Services Authority. We will continue to provide quality services to the people in our community in our region that are client-focused, high quality, accessible, and accountable to the diverse needs as determined by the community members.



Phyllis Mawdsley
Chief Executive Officer
Fort Smith Health and Social Services Authority

June 23, 2016

Independent Auditors' Report

To the Minister of Health and Social Services Government of the Northwest Territories

We have audited the accompanying financial statements of the Fort Smith Health and Social Services Authority as at March 31, 2016, which comprise the statement of operations and the statements of financial position, changes in net financial debt, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures for all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more as listed on Schedule A.

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. Management is also responsible for the preparation of the schedule of 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 accordance with the financial guidelines of the Department of Health and Social Services.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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 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

Salaries and related benefits paid to employees of the Authority 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 were 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 deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material aspects, the financial position of the Fort Smith Health and Social Services Authority as at March 31, 2016, and its financial operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, applied on a basis consistent with the preceding year. Furthermore, except for the limitation relating to payroll as described above, Schedule A presents 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 for the year ended March 31, 2016, in accordance with the financial guidelines of the Department of Health and Social Services.

Report on Other Legal and Regulatory Requirements

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

**Yellowknife, Northwest Territories
June 23, 2016**

Crowe MacKay LLP
Chartered Accountants

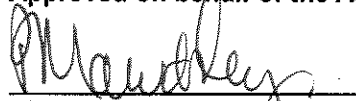
STATEMENT I

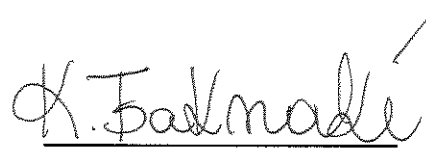
Fort Smith Health and Social Services Authority

Statement of Financial Position

As at March 31,	2016	2015
Financial Assets		
Cash (Note 4)	\$ 221,585	\$ 218,864
Accounts Receivable (Note 8)	525,576	260,403
Trust Assets (Note 17)	13,885	21,804
	761,046	501,071
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	777,473	990,913
Payroll liabilities (Note 10)	5,853,510	4,033,032
Deferred Revenue (Note 11)	1,502	-
Contributions repayable (Note 12)	30,181	-
Employee Future Benefits (Note 16)	965,310	961,288
Trust liabilities (Note 17)	13,885	21,804
	7,641,861	6,007,037
Net Financial Assets (Debt)	(6,880,815)	(5,505,966)
Non-Financial Assets		
Inventories Held for Use (Note 9)	181,260	188,220
Prepaid Expenses (Note 19)	109,454	144,972
	290,714	333,192
Accumulated Surplus / (Deficit) (Note 20)	\$ (6,590,101)	\$ (5,172,774)
Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		

Approved on behalf of the Authority


 Phyllis Mawdsley
 Chief Executive Officer



Katerina Tsaknaki
 Chief Financial Officer

Fort Smith Health and Social Services Authority

Statement of Operations

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Revenue			
Contributions from GNWT (Schedule A)	\$ 18,474,000	\$ 18,408,170	\$ 17,816,511
Contributions from other sources (Schedule C)	-	-	-
Interest income	8,000	6,052	8,933
Other income (Schedule D)	287,000	238,836	253,664
Recoveries (Schedule B)	215,000	446,597	198,689
Recoveries from prior years' expenses	-	97,799	54,000
	18,984,000	19,197,454	18,331,797
Expenses			
Administration and support	3,107,395	3,487,988	3,038,013
Nursing inpatient services	2,456,501	2,851,650	3,049,655
Ambulatory care	2,947,501	3,474,574	3,403,514
Diagnostic and therapeutic	1,333,001	1,570,163	1,303,606
Community health services	1,316,099	1,453,503	1,353,685
Social services	7,813,503	7,771,090	7,631,653
Undistributed	10,000	5,813	5,965
	18,984,000	20,614,781	19,786,091
Operating surplus / (deficit)	-	(1,417,327)	(1,454,294)
Prior year funding received	-	(97,799)	(54,000)
Operating surplus / (deficit) before prior year funding	-	(1,515,126)	(1,508,294)
Unfunded Items			
Change in employee leave and termination benefits (Note 16)	-	4,022	(12,161)
Annual surplus / (deficit) before the following	-	(1,511,104)	(1,520,455)
Rent expense - GNWT assets provided at no cost	-	1,685,053	1,727,477
Grant-in-kind - GNWT assets provided at no cost	-	(1,685,053)	(1,727,477)
Annual surplus / (deficit)	-	(1,511,104)	(1,520,455)
Opening accumulated surplus / (deficit)	-	(5,172,774)	(3,718,480)
Closing accumulated surplus / (deficit) (Note 20)	\$ -	\$ (6,590,101)	\$ (5,172,774)

Fort Smith Health and Social Services Authority

Statement of Changes in Net Financial Debt

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Operating surplus / (deficit)	\$ -	\$ (1,417,327)	\$ (1,454,294)
Adjustments			
Decrease / (increase) in inventories held for use	-	6,960	78,115
Decrease / (increase) in prepaid expenses	-	35,518	(57,500)
(Increase) / decrease in net debt	-	(1,374,849)	(1,433,679)
Opening net financial resources	(5,505,966)	(5,505,966)	(4,072,287)
Closing net financial resources	\$ (5,505,966)	\$ (6,880,815)	\$ (5,505,966)

Fort Smith Health and Social Services Authority

Statement of Cash Flows

For the year ended March 31,	2016	2015
Cash Provided By (Used In)		
Operating Transactions		
Operating surplus / (deficit)	\$ (1,417,327)	\$ (1,454,294)
Items not affecting cash:		
Changes in Non-cash Assets and Liabilities		
Decrease / (increase) in accounts receivable	(265,173)	436,884
Decrease / (increase) in inventories for sale	6,960	78,115
Increase / (decrease) in accounts payable and accrued liabilities	(213,440)	173,151
Increase / (decrease) in payroll liabilities	1,820,478	830,057
Increase / (decrease) in deferred revenue	1,502	-
Increase / (decrease) in employee future benefits	4,022	(12,161)
Increase / (decrease) in contributions repayable	30,181	-
Increase / (decrease) in prepaid expenses	35,518	(57,500)
Cash Provided by (Used for) Operating Transactions	2,721	(5,748)
Investing Transactions		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash Provided by (Used for) Investing Transactions	-	-
Capital Transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash Provided by (Used for) Capital Transactions	-	-
Financing Transactions		
Net proceeds from capital lease obligations	-	-
Other	-	-
Cash Provided by (Used for) Financing Transactions	-	-
Increase / (Decrease) in Cash and Cash Equivalents	2,721	(5,748)
Cash and Cash Equivalents, Beginning of Year	218,864	224,612
Cash and Cash Equivalents, End of Year	\$ 221,585	\$ 218,864
Represented by:		
Cash	\$ 221,585	\$ 218,864
	\$ 221,585	\$ 218,864

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

1. Authority

The Fort Smith Health and Social Services Authority (the "Authority") operates under the authority of the *Hospital Insurance and Health and Social Services Act* of the Northwest Territories. The Authority was established on February 1, 2002 to manage, control, and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. Basis of Presentation and 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 and by the directives 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:

(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 Authority 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 Authority are:

Operating Fund - reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Surplus 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.

Termination 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.

The Authority does not have sufficient funds to establish either of these reserves.

(d) 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 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 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 with an offsetting corresponding amount as a Grant-In-Kind revenue.

(e) Inventories 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 Authority annually accrues estimated employee leave and termination benefits payable.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(g) Pension contributions

The Authority and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis.

The Authority and its contracted physicians make contributions to a physician directed investment fund administered by MD Management. These contributions represent the total pension liability of the Authority and are recognized in the accounts on a current basis.

(h) Revenue recognition

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

Billings processed through ICORE system by the medical centre's billing clerks are recognized as revenue upon submission of claim to the DHSS's Health Services Administration in Inuvik.

Other revenue is recognized when the service is performed or the goods are provided.

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

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

(i) Financial instruments

The Authority classifies its financial instruments at cost or amortized cost.

The Authority's accounting policy for this financial instrument category is as follows:

This category includes cash, trust assets, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, contributions repayable, 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.

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.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authorities unless they are sold.

(k) Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards require 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. Actual results could differ from these estimates.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

3 Future Accounting Changes

a) Inter-entity transactions, Section PS 3420

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

b) Assets, Section PS 3210

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

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

c) Contingent Assets, Section PS 3320

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

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

d) Contractual Rights, Section PS 3380

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

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

e) 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. The impact of the transition to these accounting standards is being reviewed by management.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

4 Cash

	2016	2015
Unrestricted Cash	\$ 221,585	\$ 218,864
Total cash	\$ 221,585	\$ 218,864

5 Special Purpose Funds

NIL report

6 Restricted Assets

NIL Report

7 Portfolio Investments

NIL Report

8 Accounts Receivable

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2016	Net 2015
GNWT	\$ 392,334	\$ -	\$ 392,334	\$ 153,150
GOC	52,914	-	52,914	63,547
WSCC - NWT	23,426	-	23,426	14,140
Other	108,235	(51,333)	56,902	29,566
Total accounts receivable	\$ 576,909	\$ (51,333)	\$ 525,576	\$ 260,403

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

9 Inventories Held for Use

	2016	2015
Drug	\$ 48,088	\$ 44,025
Laboratory and x-ray	28,114	25,850
Laundry	-	785
Housekeeping	6,780	4,668
Medical and surgical	66,979	86,968
Office	14,094	18,200
Vaccines	17,205	7,724
Total inventories held for use	\$ 181,260	\$ 188,220

10 Accounts Payable and Accrued Liabilities

	2016	2015
Trade	\$ 570,372	\$ 858,678
Government of the Northwest Territories	207,101	132,235
Total accounts payable and accrued liabilities	\$ 777,473	\$ 990,913

	2016	2015
Payroll liabilities		
Due to the GNWT	\$ 5,853,510	\$ 4,033,032
Total payroll liabilities	\$ 5,853,510	\$ 4,033,032

11 Deferred Revenue

Deferred revenue consists of fees collected in advance for activities with dates beyond the fiscal year end. These amounts will be recognized in revenue as expenditures are incurred

	2016	2015
Third parties		
Continuing care rent	\$ 1,502	\$ -

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

12 Contributions repayable

	2016		2015
GNWT - DHSS - homecare enhancement	\$ 26,555	\$	-
GNWT - DHSS - new parent baby box	3,626		-
	\$ 30,181	\$	-

13 Due to Government of Canada

NIL report

14 Capital Lease Obligations

NIL Report

15 Pension

Nil Report

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

16 Employee Future Benefits

Under the conditions of employment, employees qualify for annual leave of varying hours depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the employment of the Authority.

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

	2016	2015
Removal	\$ 302,341	\$ 263,330
Termination, severance, resignation, retirement	165,781	175,944
Leave*	497,188	522,014
	965,310	961,288
Less: Portion included in current portion	545,454	570,078
Long term portion	\$ 419,856	\$ 391,210

* Leave

- includes annual, lieu, statutory holidays, and mandatory leave.
- includes leave banks as well as leave accruals and leave payouts due.
- is considered to be short term liabilities for the purpose of distinguishing Employee Future Benefits into short and long term categories.

17 Trust Assets and Liabilities

The trust assets represents cash being held in trust for patients.

	2016	2015
Patient cash in trust	\$ 13,885	\$ 21,804
Total trust assets and liabilities	\$ 13,885	\$ 21,804

18 Tangible Capital Assets

NIL Report

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

19 Prepaid Expenses

	2016	2015
Equipment and software	\$ 91,889	\$ 95,104
Other	17,565	49,868
Total prepaid expenses	\$ 109,454	\$ 144,972

20 Accumulated Surplus / (Deficit)

	2016	2015
Unrestricted		
Unfunded leave and termination benefits	\$ (965,310)	\$ (961,288)
Operating surplus / (deficit)	(5,624,791)	(4,211,486)
	\$ (6,590,101)	\$ (5,172,774)

21 Capital Advances from GNWT

NIL Report

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

22 GNWT Assets Provided at No Cost

	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
Buildings	\$ 50,404,201	\$ 14,012,045	\$ 36,392,156	\$ 37,742,536
Mainframe and software systems	55,407	55,407	-	-
Medical equipment	3,315,091	2,160,222	1,154,869	1,311,238
	\$ 53,774,699	\$ 16,227,674	\$ 37,547,025	\$ 39,053,774

Rent expense for 2016 is \$1,685,053 (2015 - \$1,727,477) with an offsetting grant-in-kind.

23 Contractual Obligation

The Authority has commitments for building and apartment leases, and service agreements that will require payment in future years. The minimum annual payments for these commitments are as follows:

	Expires in Fiscal Year	2017	2018 and Thereafter	Total
Commercial and residential leases	2017	\$ 2,800	\$ -	\$ 2,800
Operational leases	2017	1,972,396	-	1,972,396
Equipment leases	2018	288,309	209,249	497,558
		\$ 2,263,505	\$ 209,249	\$ 2,472,754

24 Contingent Liabilities

In the normal course of operations, the Authority is subject to claims and litigation. As of March 31, 2016, there were no outstanding claims against the Authority.

Also, 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. The Authority did not have any environmental liabilities during the year.

25 Prior Year Funding Received

	2016	2015
Restricted physician funding	\$ 97,799	\$ 54,000

The Authority received funding for restricted physician during the year, which is intended to offset the March 31, 2015 operating deficit. This \$97,799 was included in revenues for the current year and has been disclosed separately in order to not impact the current year operating deficit.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

26 Budget Information

Budget figures were those approved by the Authority's board of directors or Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

27 Economic Dependence

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

28 Subsequent Events

On April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tli Cho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence, after August 1, 2016, the Authority will no longer exist as a separate legal entity.

29 Comparative Amounts

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

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

30 Related Party Transactions

The Authority is related in terms of common ownership to all GNWT created departments, agencies, and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided 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 and internal audit services by the Department of Finance and compensation services provided by Department of Human Resources.

Due from related parties (net of allowance):

	2016	2015
GNWT - DHSS	\$ 391,098	\$ 153,150
	391,098	153,150

Due to related parties:

	2016	2015
GNWT - DHSS	\$ 237,282	\$ 132,235
GNWT - Finance (Payroll)	5,853,510	4,033,032
Hay River Health and Social Services Authority	-	2,189
Stanton Territorial Health Authority	23,128	16,790
Yellowknife Health and Social Services Authority	-	4,780
	\$ 6,113,920	\$ 4,189,026

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.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

31 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:

(i) 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, 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 \$300,000.

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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$525,576 (2015 - \$260,403).

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 Authority in the event of a default. The Authority does have concentration risk. At March 31, 2016, receivables from one customer comprised 74% of the total outstanding accounts receivables (2015 - 59%). The Authority reduces this risk by monitoring overdue balances.

The Authority also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

(ii) 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. All of the Authority's financial assets and financial liabilities at March 31, 2016 mature within the next six months. Total financial assets are \$761,046 (2015 - \$501,071) and financial liabilities are \$6,676,551 (2015 - \$5,045,749). The authority has disclosed future financial liabilities and commitments in Note 23.

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.

Fort Smith Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

32 Expenses by Object

For the year ended March 31	2016 (Unaudited) Budget	2016 Actual	2015 Actual
Compensation and Benefits			
EI / CPP	\$ 376,104	\$ 489,583	\$ 483,751
Employee benefits	461,827	645,427	583,761
Leave	-	991,546	952,956
Locums	683,000	1,387,799	1,330,319
Merit / retention bonus	51,936	52,977	57,904
Northern allowance	775,547	697,585	661,281
Other	30,000	13,781	73,110
Overtime / callback / shift responsibility	314,549	1,466,501	1,601,461
Purchased services	50,000	41,418	44,897
Removal	-	56,222	36,717
Salaries and wages	11,175,143	9,689,708	9,125,313
	13,918,106	15,532,547	14,951,470
Operations and Maintenance			
Advertising and promotion	27,500	17,881	30,123
Contracted and general services	2,671,267	2,577,467	2,084,759
Doubtful accounts	-	-	(20,000)
Education	196,750	75,689	75,786
Equipment maintenance	258,400	227,186	135,550
Foster care	239,100	442,623	499,716
Interest and bank charges	2,000	2,764	3,448
Medical and surgical supplies	421,600	372,028	410,979
Minor capital	306,294	84,534	243,869
Office and administration services	207,944	244,738	226,741
Postage and freight	81,389	76,324	108,310
Professional services	46,500	54,820	41,785
Rent	15,700	17,230	14,400
Rental / leases	53,500	53,830	54,652
Supplies - food	127,000	171,321	211,921
Telephone and communications	102,850	111,979	122,557
Travel and relocation	261,200	519,647	560,996
Utilities	8,500	7,151	6,721
Vehicle operations and maintenance	38,400	25,022	22,308
	5,065,894	5,082,234	4,834,621
Total Expenses	\$ 18,984,000	\$ 20,614,781	\$ 19,786,091

Fort Smith Health and Social Services Authority

Schedule of Contributions from the GNWT

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core contribution			
Adult support services	\$ 2,523,000	\$ 2,501,000	\$ 2,420,000
Authority administration	1,026,000	1,020,000	1,003,000
Child & family services	1,077,000	981,000	1,059,000
Client support services	108,000	105,000	106,000
Community Mental health and addictions	681,000	677,000	671,000
Community clinics and health centres	3,628,000	3,600,000	3,452,000
Community wellness programs	281,000	397,000	272,000
Diagnostic services	729,000	745,000	714,000
Emergency services	104,000	104,000	100,000
Facility maintenance & support	786,000	781,000	771,000
Family violence	519,000	519,000	519,000
Finance	309,000	306,000	303,000
Foster care	284,000	284,000	284,000
Homecare & support services	393,000	390,000	376,000
Human resources	-	42,000	-
Medical & surgical nursing	1,999,000	1,989,000	1,952,000
Obstetric & pediatric nursing	513,000	525,000	501,000
Residential care - children	1,844,000	1,844,000	1,844,000
Specialty clinics	265,000	264,000	265,000
Systems support	295,000	224,498	119,000
Therapeutic services	729,000	725,000	715,000
	18,093,000	18,023,498	17,446,000
Other contributions			
Applied suicide intervention skills	-	3,336	7,475
Collective kitchen	-	20,685	18,003
Commit to be fit	-	-	5,000
Electronic medical records	-	-	64,519
French Language	133,000	17,038	12,211
Healthy family kids safety education	-	-	2,324
Homecare enhancement	248,000	282,922	256,771
Mental health first aid	-	4,555	4,208
New parent baby box	-	11,374	-
REP funding - Northern Lights	-	13,725	-
REP funding - medical records	-	5,000	-
TSC desktop migration	-	26,037	-
Total Department of Health and Social Services	18,474,000	18,408,170	17,816,511
Total contributions from the GNWT	\$ 18,474,000	\$ 18,408,170	\$ 17,816,511

Fort Smith Health and Social Services Authority

SCHEDULE A-1

**Schedule of Detailed Contribution Funding and Expenditure
Home and Community Care Enhancement HSS01-2694**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ 248,000	\$ 282,922	\$ 256,771
	248,000	282,922	256,771
Expenditures			
Compensation	248,000	248,039	236,679
Nutrition supplies	-	15,000	7,842
Office supplies	-	1,500	-
Training	-	18,191	12,250
	248,000	282,730	256,771
Excess of expenditures over funding	\$ -	\$ 192	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Fort Smith Health and Social Services Authority

Schedule of Recoveries

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Recoveries from the GNWT Department of Health and Social Services			
	\$ -	\$ -	\$ -
	-	-	-
Recoveries directly from Third Parties			
WSCC	50,000	74,855	48,697
Other clinic recoveries	35,000	104,050	40,712
Non-resident recoveries (THIS)	130,000	267,692	109,280
	215,000	446,597	198,689
Total recoveries	\$ 215,000	\$ 446,597	\$ 198,689

Fort Smith Health and Social Services Authority

Schedule of Other Contributions

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	
Other contributions from Related Parties				
Other	\$ -	\$ -	\$ -	-
Other contributions from Third Parties				
	-	-	-	-
Total Other Contributions	\$ -	\$ -	\$ -	-

Fort Smith Health and Social Services Authority

Schedule of Other Income

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Other Income from related parties			
Department of Health and Social Services	\$ -	\$ -	\$ -
Other Income from Third Parties			
Room and board	287,000	238,836	253,664
	287,000	238,836	253,664
Total Other Income	\$ 287,000	\$ 238,836	\$ 253,664

Fort Smith Health and Social Services Authority

Schedule of Expenses by Category

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Compensation and Benefits			
GNWT			
Compensation and benefits - GNWT	\$ -	\$ -	\$ -
Related Parties			
Compensation and benefits - related parties	-	-	-
Third Parties			
Compensation and benefits - third parties	13,918,106	15,532,547	14,951,470
Total compensation and benefits	13,918,106	15,532,547	14,951,470
Grants expenses			
GNWT			
Grants expenses - GNWT	-	-	-
Related Parties			
Grants expenses - related parties	-	-	-
Third Parties			
Grants expenses - third parties	-	-	-
Total grants expenses	-	-	-
Contributions expenses			
GNWT			
Contributions expenses - GNWT	-	-	-
Related Parties			
Contributions expenses - related parties	-	-	-
Third Parties			
Contributions expenses - third parties	-	-	-
Total contributions expenses	-	-	-
Other expenses			
GNWT			
Other expenses - GNWT	-	-	-
Related parties			
Other expenses - related parties	-	-	-
Third parties			
Other expenses - third parties	5,065,894	5,082,234	4,834,621
Total other expenses	5,065,894	5,082,234	4,834,621
Total expenses	\$ 18,984,000	\$ 20,614,781	\$ 19,786,091

Fort Smith Health and Social Services Authority

Schedule of Reserves

For the Year Ended March 31, 2016

	Surplus / Deficit Reserve		Leave and Termination Benefits Reserve		Special Projects Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions / reductions to/from reserves	-	-	-	-	-	-	-	-
Transfers between reserves	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Balance, end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Statements of

**HAY RIVER HEALTH &
SOCIAL SERVICES AUTHORITY**

March 31, 2016



Hay River Health & Social Services Authority

37911 Mackenzie Highway Hay River Northwest Territories X0E 0R6

Management Discussion and Analysis

Introduction

Hay River Health and Social Services Authority (HRHSSA) have a mandate to provide publicly-funded health and social services under the Hospital Insurance and Health and Social Services Administration Act. Services are provided to the residents of the town of Hay River, Hay River Reserve, Enterprise, Kakisa and Fort Resolution. It is the responsibility of the HRHSSA Public Administrator and Management to promote transparency and accountability. The preparation of the Management Discussion and Analysis is a go-forward method of acknowledging this responsibility.

Our vision is to have “healthy people living in healthy communities” and the strategic priorities are to:

- Promote a culture within the organization that encourages and supports quality improvement in the delivery of health and social programs.
- Improved access to quality health and social services through an integrated and coordinated care model.
- Promote healthy environments that allow the people of Hay River region to live healthy lifestyles.
- Provide a healthy, safe workplace that is able to attract, support and retain a competent and skilled workforce.
- Provide health and social services that are sustainable and accountable.
- Establish a culture of client safety that minimizes hazards and client harm by focusing on processes of care.

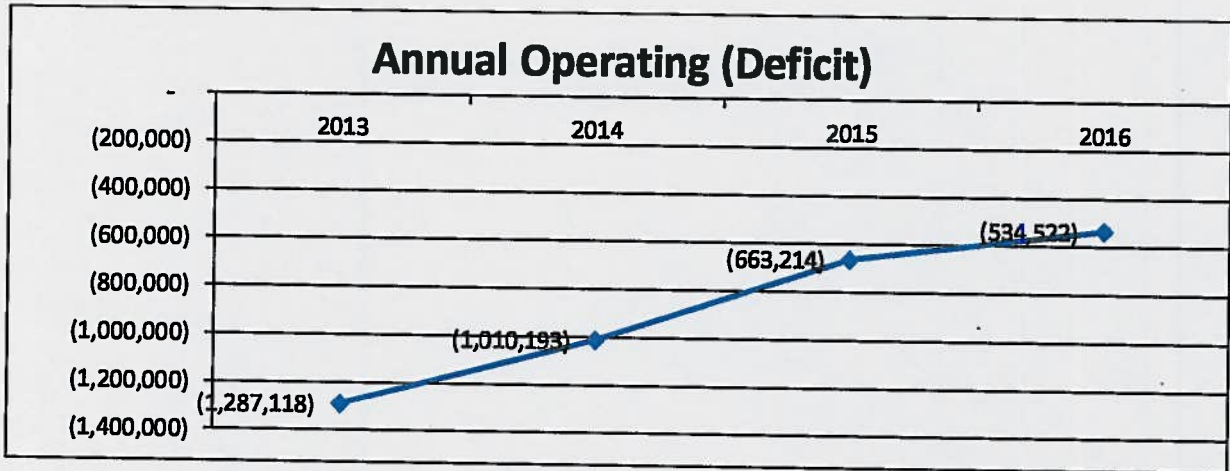
Hay River and regional clients reported a 90+ rating for HRHSSA in the latest NWT Patient Experience with Healthcare Services Survey.

HRHSSA will remain a separate Authority but will work in collaboration with the Department of Health and Social Services in the transition to the Territorial Health and Social Services Authority. The system transformation will provide a better opportunity to improve access to services and quality of care. The Management and Staff will continue to strive to provide the best health and best care to all of our clients.

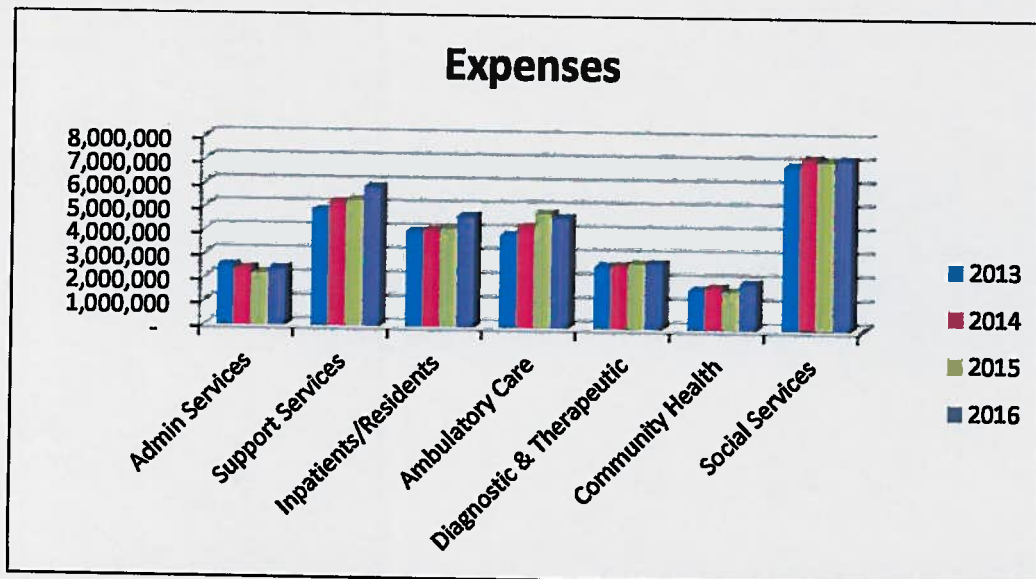
Michael Maher is our Public Administrator and Erin Griffiths, our CEO, leads the Management Team. Members of the Senior Management Team are Sheryl Courtoreille, Director of Client Care Services, Carol Heron-Colosimo, Director, Social Programs, Jennifer Croucher, Manager, Employee Services and Merle Engel, Director, Finance.

The graph below indicates that the last two years has shown a decline in the annual deficit. The annual deficit increased in 2014 due to a shortfall in the special pension funding and high physician costs. The accumulated operating deficit is currently \$2,781,342 and the Employee

leave and termination liability fund deficit is \$2,826,425 for a total deficit of \$5,607,767. The financial statements present an accumulated surplus of \$1,238,233. This adjusted surplus 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 \$6,346,000 higher than the pension obligation. The remaining \$500,000 is due to a cash reserve.



The admin expenses do not include special pension payments of \$1.2M in 2013, \$1.7M in 2014, \$1.9M in 2015 and \$2.0M in 2016. Support services include Human Resources, Finance, Information Services, Material Management, Housekeeping, Laundry services, Engineering services, Dietary, Medical Records and Electronic Medical Records. The cost of providing basic services continue to grow, however, Management and Staff continuously strive to reduce operating expenditures. Support services costs continue to rise as we face the challenge of recruiting qualified staff. Inpatients/Residents costs increased in 2015 due to the addition of the Midwifery program. Ambulatory care costs fluctuate based on the number of locum Physicians that are recruited each year.



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 some communications do not reach the target. During the year there were 15,113 patients seen in the medical clinic and 4,242 emergency visits with 1,158 ER visits ranging from level 1 to level 3.

Social Programs in the Northwest Territories is experiencing transformation in the way we provide services to the public. Child and Family Services have introduced new standards, tools and an Action Plan designed to improve the quality of services that is consistent throughout the NT. Currently all 7 Authorities have trained an estimated 100 plus, 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.

Amendments to the new Child and Family Services Act will see Social Services providing services to youth ages 19 to 23. An increase in services to this age group will see an increase in expenditures and caseload of Child Protection Workers.

With the introduction of the Structured Decision Making (SDM) tool, the mandatory consultation with a senior staff member after hours will see increased spending.

Community Counselling Programs have introduced new Standards effective April 1, 2016. The intent of the new standards is to improve the processes and implement procedures which address efforts being made to enhance services. High caseloads and long waitlists for clients are of greatest concern. The lack of resources to further enhance programming after hours, etc., can potentially jeopardise the balance of this highly qualified and motivated group. Additional resources to this program could potentially decrease the waitlist of (45) in less time, than the current wait time of 20 weeks to be seen for counseling services.

Healthy Families statistics continue to grow on a monthly basis. There are approximately (20) regular families this team of two staff provide services. 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. Eventually there will be 33 Healthy Families Programs across the Northwest Territories. 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 some positive community partnerships and is currently receiving approximately 2 to 4 new referrals a week.

Financial Conditions

The financial health of the Authority is in a critical condition as the deficit continues to grow and the cash flow continues to decline. The accumulated deficit can mainly be attributed to wages and compensation which account for just over 83% 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 \$1,329,112 in 2015-16 and \$1,290,657 in 2014-15.

Our core funding increased by \$586,000 in 2015-16 to help offset the cost of additional staff required for the new health centre and recoveries increased by \$221,848. The additional recoveries assisted in keeping our deficit on the decline. Management continues to look for opportunities to reduce costs.

With cash of \$1,436,896 and current liabilities of \$3,208,967 due in April, it is evident that the liquidity of the Authority is a concern. The April advance of \$2,503,083 is immediately reduced to \$731,012 and with projected monthly cash disbursements higher than monthly core funding payments, there is always a constant struggle in the last quarter to ensure bills are paid and payroll is met. In addition to the above mentioned liabilities, there are disputed contributions repayable to the GNWT in the amount of \$1,184,362. Ideally this repayment would be offset by restricted overpayments in subsequent years.

Summary and Outlook

2015-16 was the first full year of the mid-wifery program which has been a huge success. There were 14 babies born in Hay River since the program began to March 31, 2016. The mid-wifery program also provides prenatal classes and had 53 clients in care in March. This program has provided the opportunity for the women of Hay River to stay in their home community secure in the knowledge that they are being provided with professional services to help ensure healthy pregnancies and deliveries.

The completion and opening of our new Hay River Regional Health Centre provides state of the art equipment and the latest in design and technology. The medical clinic opened in the new Centre on March 7, 2016 followed by the Diabetes and Midwifery Programs and the Rehabilitation Department. The remainder of the Departments moving to the new facility completed their moves in April and early May, 2016, with a grand opening to be held in June. All departments moving to the new health centre are excited for the opportunity to work in the new building with new equipment and have been re-working their processes and procedures to accommodate the new client work flows. The move to the new facility provides more room to manoeuvre and the ability to have a devoted ambulatory care program as space and staff will be dedicated.

The physical space is much greater between departments which results in higher costs for staffing, supplies and equipment – including medications. Lack of security for a building that was designed to have a security guard is a threat that needs further consideration. Recruitment of staff will also continue to be a challenge. The separation of services between the new health centre and the old hospital will bring many other challenges during the 2016-17 year. It will also provide the opportunity to find new alternative ways to provide our client-focused services.

HRHSSA will continue to work together as a team to ensure that we continue to provide high quality services that are above what the Authority is obligated to deliver.



Erin Griffiths
Chief Executive Officer
Hay River Health and Social Services Authority

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Financial Statements

Year ended March 31, 2016

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Hay River Health & Social Services Authority

37911 Mackenzie Highway Hay River Northwest Territories X0E 0R6

To the Minister of Health and Social Services

Management Responsibility for Financial Reporting for the year ended March 31, 2016

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

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

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

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

Approved and confirmed on behalf of the Hay River Health and Social Services Authority

CEO

AUDITORS' REPORT

To the Minister of Health and Social Services and
the Chief Executive Officer

Report on the Financial Statements

We have audited the operating fund balance sheet of the Hay River Health & Social Services Authority as at March 31, 2016 and the statements of operations, equity, and changes in financial position for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures of all programs funded through contribution agreements by the Department of Health and Social Services which total \$250,000 or more, as listed in Schedule A and A-1.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the standards set forth by the 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 required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2016 and the results of its operations and cash flow for the year then ended in accordance with the standards set forth by the Public Sector Accounting Board. Furthermore, in our opinion, these statements present fairly, in all material respects, the revenues and expenditures of all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more in Schedule A and A-1 for the year ended March 31, 2016, in accordance with the provisions established by the individual contribution agreements.

We further report, in accordance with the Financial Administration Act of the Northwest Territories, that, in our opinion, proper books of account have been kept by the Authority, the financial statements are in agreement therewith and the transactions that came under our examination were, in all significant respects, within the statutory powers of the Authority.



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
June 29, 2016

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Financial Position

Statement I

March 31, 2016

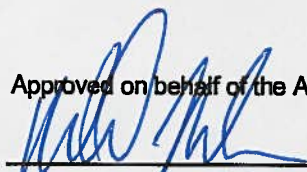
	2016	*2015
Financial Assets		
Cash and cash equivalents, Note 4	\$ 1,436,896	\$ 978,838
Accounts receivable, Note 8	333,987	425,819
Due from Government of Canada, Note 13	-	1,750
Trust assets, Note 17	70,881	59,922
Pensions asset, Note 15	6,346,000	3,638,000
Total Financial Assets	\$ 8,187,764	\$ 5,104,329
Liabilities		
Accounts payable and accrued liabilities, Note 10	1,124,840	1,106,255
Employee and payroll-related liabilities, Note 10	1,238,297	980,162
Contributions repayable, Note 12	1,248,423	1,280,724
Employee future benefits, Note 16	2,826,425	2,738,738
Accountable capital advance, GNWT, Note 21	5,829	5,829
Deferred revenue, Note 11	845,830	56,633
Trust liabilities, Note 17	70,881	59,922
Total Liabilities	7,360,525	6,228,263
Net Financial Assets (Debt)	\$ 827,239	\$ (1,123,934)
Non-Financial Assets		
Inventory, Note 9	\$ 170,588	\$ 188,174
Prepaid expenses and deposits, Note 19	240,406	88,202
Total Non-Financial Assets	\$ 410,994	\$ 276,376
Accumulated Surplus (Deficit), Note 20	\$ 1,238,233	\$ (847,558)

* Reclassified for comparative purposes

Contractual obligations, Note 23

Contingent liabilities, Note 24

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, 2016

	2016 Budget	2016 Actual	2015 Actual
Revenue			
Contributions from GNWT, Schedule A	\$ 27,258,744	\$ 29,187,091	\$ 27,779,832
Recoveries, Schedule B	1,145,513	1,682,724	1,460,876
Contributions from Other Sources, Schedule C	-	32,647	3,405
Other Income, Schedule D	-	-	8,932
Interest	35,000	30,579	32,745
Total Revenue	28,439,257	30,933,041	29,285,790
Expenses			
Administrative and Support Services	7,815,705	7,561,661	6,807,725
Nursing Inpatients Services	4,331,949	4,664,286	4,146,407
Ambulatory Care Services	4,680,185	4,651,297	4,820,565
Diagnostic and Therapeutic Services	2,746,154	2,767,964	2,749,536
Community Health Programs	1,761,452	1,975,468	1,638,663
Community Social Programs	7,103,823	7,226,574	7,153,946
Education	-	-	7,471
Undistributed	-	-	-
Total Expenses, Schedule E	28,439,268	28,847,250	27,324,313
Operating Surplus (Deficit)	(11)	2,085,791	1,961,477
Prior Year Funding Received, Note 25	-	-	(109,000)
Operating Surplus (Deficit) before Prior Year Funding	(11)	2,085,791	1,852,477
Unfunded Items			
Change in employee leave and termination benefits, Note 16	-	87,687	120,309
Adjusted operating surplus (deficit) before the undemoted	(11)	2,173,478	1,972,786
(Increase) Decrease in post-employment benefits	-	(2,708,000)	(2,636,000)
Tangible Capital Assets - Rent Expense, Note 22	-	(502,297)	(580,384)
Grant-In-Kind - GNWT assets provided at no cost, Note 22	-	502,297	580,384
Adjusted operating surplus (deficit) for the year	\$ (11)	\$ (534,522)	\$ (663,214)
Opening Accumulated Surplus (Deficit)		\$ (847,558)	\$ (2,809,035)
Operating Surplus (Deficit)		2,085,791	1,961,477
Closing Accumulated Surplus (Deficit)		\$ 1,238,233	\$ (847,558)

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Changes in Net Financial Resources

Statement III

For the year ended March 31, 2016

	2016	2015
Annual surplus (deficit)	\$ 2,173,478	\$ 1,972,786
Adjustments		
Change in employee leave and termination benefit	(87,687)	(120,309)
Prior year funding received	-	109,000
(Increase) decrease in inventory	17,586	(5,073)
(Increase) decrease in prepaids and deposits	(152,204)	17,458
Increase (Decrease) in net financial assets	1,951,173	1,973,862
Net financial resources, beginning of year	(1,123,934)	(3,097,796)
Net financial resources, end of year	\$ 827,239	\$ (1,123,934)

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Statement of Cash Flow

Statement IV

For the year ended March 31, 2016

	2016	2015
Operating Activities		
Annual surplus (deficit)	\$ 2,173,478	\$ 1,972,786
Items not affecting cash:		
Change in employee leave and termination benefits, Note 16	(87,687)	(120,309)
(Increase) Decrease in pensions, Note 15	(2,708,000)	(2,636,000)
	(2,795,687)	(2,756,309)
Changes in non-cash assets and liabilities		
Due from the Government of Canada	1,750	(1,068)
Decrease (increase) in accounts receivable	91,832	292,030
Decrease (increase) in Inventory	17,586	(5,073)
Decrease (increase) in prepaids	(152,204)	17,458
Increase (decrease) in accounts payable and payroll liabilities	276,720	(209,681)
Increase (decrease) in contributions repayable	(32,301)	9,094
Increase in employee future benefits	87,687	159,198
Increase (decrease) in capital advances	-	-
Increase (decrease) in deferred revenues	789,197	-
Increase (decrease) in trust liability	10,959	6,816
	1,091,226	268,774
Cash from operations	469,017	(514,749)
Financing Activities		
Prior year funding received, Note 25	-	109,000
Investing Activities		
	-	-
Change in cash during the year	469,017	(405,749)
Cash, beginning of year	1,038,760	1,444,509
Cash, end of year	\$ 1,507,777	\$ 1,038,760
Cash consists of :		
Cash and cash equivalents, Note 4	\$ 1,436,896	\$ 978,838
Trust asset, Note 17	70,881	59,922
	\$ 1,507,777	\$ 1,038,760

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 1. Hay River Health & Social Services Authority

The Hay River Health & Social Services Authority (the "Authority") was incorporated under the Societies Act, 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 Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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).

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 objective into the following funds:

Operating Fund - activities associated with the Authority's daily operations.

Employee Leave and Termination Liability Fund - activities associated with the employee termination benefits liability.

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 recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

The Authority follows the deferral method of accounting for contributions.

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 2. Significant Accounting Policies (continued)

Revenue and Expenditure Recognition (continued)

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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.

Expenditures recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and balances within banks, net of outstanding cheques, and are not subject to significant risk of changes in value.

Reserves

The cash reserve was 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 employee termination liability fund contains the funds received in advance for the severance liability of the 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.

The Authority does not have sufficient funds to cover these reserves.

Capital Assets

Tangible Capital Assets (TCA) are owned by the Government of the Northwest Territories. TCAs are amortized over the estimated useful lives of the assets at the rates established in the Financial Administration Manual of the GNWT as follows:

Buildings	40 years
Mainframe and software systems	5 - 10 Years
Major Medical Equipment	5 - 15 Years

The TCAs used by the Authority and held on behalf of, or in trust for, the GNWT are not recognized by the Authority in the financial statements.

The statement of operations reflects the Rent Expense amount that would otherwise be considered amortization expense for the fiscal year with an offsetting corresponding amount as a Grant-In-Kind revenue.

Inventories of Supplies

Inventories of supplies include inventory held for use in the process of providing the services of the Authority. Inventories consist of equipment and parts, pharmaceuticals and office supplies, which are distributed to clients at no or nominal charges. Inventory is recorded at the lower of cost and replacement value. Cost is determined on a first-in, first-out basis using average cost.

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 2. Significant Accounting Policies (continued)

Accrued Employee Leave and Termination Benefits

Consistent with accounting policies used by Government of the Northwest Territories entities, the Authority charges employee leave and termination benefits to the period in which they are earned. Employee leave and termination benefit liabilities are not funded until incurred, therefore no revenue is accrued for these liabilities.

For benefits earned prior to September 1, 1996 but still outstanding, no accrual is made for contingent revenue as described in Note 16. The GNWT portion is reported as a separate unfunded liability on the balance sheet and is also reported in the accumulated deficit in the Leave and Termination Liability Fund. The revenue is expected to be received and recorded in the year that the outstanding liability falls due.

Pensions

Pension benefits to the Retirement Plan for Employees of the Hay River Health and Social Services Authority are reported on an actuarial 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 practicable the fair values of financial assets and liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Authority classifies its financial instruments at cost or amortized cost.

The Authority's accounting policy for this financial instrument category is as follows:

This category includes cash, trust assets, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, capital advances, and trust liabilities. They are initially recognized at cost and in subsequent periods, financial assets 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 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 future 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.

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 2. Significant Accounting Policies (continued)

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

Related Party Disclosures, Section 2200

PSAB has implemented changes to Section PS 2200, Related Party Disclosures to require disclosure of related party transactions that have occurred at an amount different from the amount that would have been arrived at had the parties not been related. The new standard is effective for fiscal years beginning on or after April 1, 2017. The impact of the transition to these changes has not yet been determined.

Assets - Section PS 3210

PSAB has implemented changes to Section PS 3210, Assets such that economic resources that do not meet the criteria of an assets due to the inability to measure it or are prohibited by the Handbook to be realized, must be disclosed in the notes. The new standard is effective for fiscal years beginning on or after April 1, 2017. The impact of the transition to these changes has not yet been determined.

Financial Instruments - Section PS 3450

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

Inter-entity Transactions - Section PS 3420

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

Note 4. Cash and Cash Equivalents

	2016	2015
Cash	\$ 1,436,896	\$ 978,838

Note 5. Special Purpose Funds - Nil Report

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 6. Restricted Assets - Nil Report

Note 7. Portfolio Investments - Nil Report

Note 8. Accounts Receivable

	Receivables 2016	AFDA 2016	Net 2016	Net 2015
Due from GNWT	\$ 213,685	\$ -	\$ 213,685	\$ 255,717
Due from Government of Nunavut	-	-	-	-
Due from WSCC	27,879	-	27,879	29,736
Due from other GNWT Health Authorities	552	-	552	8,275
Hay River Hospital & Wellness Foundation	5,309	-	5,309	-
GST rebate receivable	10,850	-	10,850	7,038
General accounts receivable	121,639	(45,927)	75,712	125,053
	\$ 379,914	\$ (45,927)	\$ 333,987	\$ 425,819

Note 9. Inventories

	2016	2015
General	\$ 16,239	\$ 16,067
Medical and surgical	124,477	140,772
Laboratory	9,483	8,008
Pharmaceutical	20,389	23,327
	\$ 170,588	\$ 188,174

Inventories are held for consumption in the process of providing services and are distributed at no charge or for a nominal fee.

Note 10. Accounts Payable and Accrued Liabilities

	2016	2015
Due to GNWT	\$ 198,130	\$ 95,224
Due to Government of Nunavut	-	-
Due to WSCC	-	-
Due to other GNWT Health Authorities	66,416	115,939
Accounts payable and accrued liabilities	795,059	841,431
Unspent donations	20,679	21,634
Special purpose fund liabilities	44,556	32,027
	1,124,840	1,106,255
Payroll liabilities	1,238,297	980,162
	\$ 2,363,137	\$ 2,086,417

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 11. Deferred Revenue

Deferred revenue represents funds that have been received for specific programs but remain unspent at March 31, 2016 as follows:

	2016	2015
Government of the Northwest Territories		
Department of Health and Social Services		
Professional Development Initiative	\$ 56,633	\$ 56,633
Transitional funding (core contribution)	39,092	-
Core funding 16/17	750,000	-
Third party - respite care	105	-
	\$ 845,830	\$ 56,633

Note 12. Contribution 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, 2016:

	2016	2015
Government of the Northwest Territories		
Department of Health and Social Services		
Family Support Program 11/12	\$ 9,000	\$ 9,000
Homecare Enhancement 11/12	10,957	10,957
Core Physician Services Funding 11/12	652,027	652,027
Core Physician Services Funding 12/13	532,335	532,335
Homecare Enhancement 13/14	297	297
Grad Placement Program K. Miller 13/14	8,064	8,064
Healthy Families/Collective Kitchen unspent funding 14/15	1,006	1,006
Enhanced Homecare unspent funding 14/15	-	30,615
Healthy Families/Collective Kitchen unspent funding 15/16	3,570	-
Enhanced Homecare unspent funding 15/16	24,923	-
	1,242,179	1,244,301
Hay River Metis Government Council		
Community Wellness	6,244	36,423
	\$ 1,248,423	\$ 1,280,724

Note 13. Due From and To the Government of Canada

	2016	2015
Receivables		
Projects	\$ -	\$ -
Miscellaneous receivable	-	1,750
	\$ -	\$ 1,750
Payables		
Advances on projects	\$ -	\$ -
Miscellaneous payables	-	-
	\$ -	\$ -

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 14. Capital Lease Obligations - Nil Report

Note 15. 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.

Employees are required to contribute 7.5% of their pensionable earnings up to the yearly maximum pensionable earnings (YMPE) plus 9.8% of their earnings, if any, in excess of the YMPE. The Authority contributes to the plan and provides additional funding when the present value of the obligation under the solvency method, exceeds the accumulated assets available to fund the members' benefit entitlements in the plan.

	2016	2015
Accrued benefit obligation	\$ 35,878,000	\$ 33,258,000
Market-related value of pension fund assets	45,091,000	38,531,000
	(9,213,000)	(5,273,000)
Unamortized actuarial gains / (losses)	2,867,000	1,635,000
Pension liability (accrued asset)	\$ (6,346,000)	\$ (3,638,000)

The pension liability (asset) includes the following components:

	2016	2015
Pension liability (accrued asset) - beginning of year	\$ (3,638,000)	\$ (1,002,000)
Cash items:		
Member contributions	(880,000)	(970,000)
Employer contributions	(3,470,000)	(3,702,000)
Benefit payments	(1,791,000)	(1,211,000)
Drawdown from plan assets	1,791,000	1,211,000
Net change to pension liability from cash items	(4,350,000)	(4,672,000)
Accrual items:		
Current period benefit cost	2,169,000	2,179,000
Amortization of actuarial gains/losses	(171,000)	3,000
Interest on average accrued benefit obligation	1,873,000	1,761,000
Expected earnings on average pension fund assets	(2,229,000)	(1,907,000)
	1,642,000	2,036,000
Pension liability (asset) - end of year	\$ (6,346,000)	\$ (3,638,000)

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 15. Pensions (continued)

The pension expense is included in the statement of operations as a component of compensation for Corporate HR.

	2016	2015
Pension expense (revenue)	\$ (2,708,000)	\$ (2,636,000)
Expected earnings on plan assets	6.25%	7.38%
Actual earnings on plan assets	8.75%	21.26%
Difference between actual and expected	2.50%	13.88%

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:

	2016	2015
Date of actuarial valuation	1-Jan-16	1-Jan-15
Date of audited financial statements	31-Mar-16	31-Mar-15
Discount rate	5.60%	5.60%
Interest rate on pension fund assets	5.60%	5.70%
Interest rate on accrued benefit obligation	5.60%	5.70%
Future inflation	2.00%	2.00%
Future compensation increases	2.50%	2.50%
Expected average remaining service life (years)	7.6	7.5

Plan Amendments:

As at the valuation date, the Authority has decided to revise the pension plan provisions as follows:

- a) To increase required employee contributions - Effective April 1, 2016, the member required contributions will be increased to 8.15% (previously 7.5%) of earnings up to the YMPE plus 10.4% (previously 9.8%) of earnings above the YMPE.
- b) To cease offering portability at certain ages - The plan will be amended with effect from January 1, 2018, to cease offering portability for members who are eligible for immediate pension.

Note 16. Accrued Employee Leave and Termination Benefits

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn severance remuneration based upon the number of years of service. Certain employees will also receive assistance with removal costs to return to their point of recruitment. Annual leave is payable within one fiscal year. Payment of severance and relocation amounts is dependent upon the date the employee leaves the Authority.

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 16. Accrued Employee Leave and Termination Benefits (continued)

These liabilities are to be funded in the year they become due through regular annual budget allocations. Liabilities outstanding at March 31 are as follows:

	2016	2015
Employee annual leave*	\$ 866,813	\$ 849,480
Employee severance	1,236,263	1,157,142
Employee removal	723,349	732,116
	2,826,425	2,738,738
Less: current portion - annual leave	(866,813)	(849,480)
Long term portion	\$ 1,959,612	\$ 1,889,258
<i>Long term portion is comprised of:</i>		
HRHSSA portion - earned beyond August 31, 1996	\$ 1,821,195	\$ 1,737,502
GNWT portion - Earned to August 31, 1996	138,417	151,756
	\$ 1,959,612	\$ 1,889,258

* Leave

- includes annual, lieu, stat holidays, mandatory and deferred salary leave
- includes leave banks as well as leave accruals and leave payouts due
- is considered to be a short-term liability for the purposes of distinguishing employee leave and termination benefits not short-term and long-term categories.

At the end of the 2016 fiscal year the Authority has insufficient cash to show an amount of restricted cash equal to the balance in the employee liability termination fund.

Contingent Revenue

Revenue of \$138,417 representing accrued leave benefits 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 17. 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 2015 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.

	2016	2015
Patient Trust Asset	\$ 70,881	\$ 59,922
Patient Trust Liability	\$ 70,881	\$ 59,922

Note 18. Tangible Capital Assets - Nil Report

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 19. Prepaid Expenses and Deposits

	2016	2015
Service and maintenance packages	\$ 83,760	\$ 74,041
Pension special payments	117,750	-
Travel	36,896	12,161
Deposit	2,000	2,000
	\$ 240,406	\$ 88,202

Note 20. Accumulated Surplus (Deficit)

	2016	2015
Operating fund accumulated surplus (deficit)	\$ 3,564,658	\$ 541,700
Employee leave and termination liability fund	(2,826,425)	(1,889,258)
Cash Reserve	500,000	500,000
	\$ 1,238,233	\$ (847,558)

Note 21. 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.

	2016	2015
Beginning balance	\$ 5,829	\$ 5,829
Capital purchases paid out of advanced funds	-	-
Ending balance	\$ 5,829	\$ 5,829

Note 22. GNWT Assets Provided at No Cost

Tangible Capital Assets (TCA) are owned by the Government of the Northwest Territories. TCA are amortized over their estimated useful lives in accordance with the guidelines of the Financial Administration Manual policies 2201-2210.

	Not amortized			
	Straight-line (40 yrs)		Straight-line (5-15 yrs)	
	Straight-line (5-15 yrs)		Straight-line (5-15 yrs)	
	Cost	Accumulated Amortization	2016 Net Book Value	2015 Net Book Value
Land	\$ 30,325	\$ -	\$ 30,325	\$ 30,325
Buildings	69,450,055	5,492,202	63,957,853	6,638,885
Buildings Service Equipment	1,748,034	1,487,039	260,995	357,139
Equipment	3,846,551	2,893,606	952,945	913,330
	\$ 75,074,965	\$ 9,872,847	\$ 65,202,118	\$ 7,939,679

Amortization expense for 2016 is \$502,297 (2015 = \$580,384)

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 23. Contractual Obligations

The Authority has entered into agreements extending beyond one year for the use of equipment, vehicles, and residential housing which require periodic payments. The minimum payments under existing agreements over the next three years are as follows:

	Equipment	Operational	Residential	Total
2017	\$ 22,937	\$ 69,150	\$ 160,200	\$ 252,287
2018	5,202	-	-	5,202
2019	3,730	-	-	3,730
2020	2,651	-	-	2,651
	\$ 34,520	\$ 69,150	\$ 160,200	\$ 263,870

Note 24. 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.

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.

Note 25. Prior Year Funding Received

Prior year funding for physicians in the amount of \$56,000 and \$53,000 for maternity and paternity leave were received in the 2015 year and are restricted to offset the 2014/2015 operating deficit. As such, the funding is reported in Schedule A for 2015 and then reversed out of the operating surplus in order to arrive at the annual surplus of the Authority.

	2016	2015
Prior year funding received	\$ -	\$ 109,000

Note 26. 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 27. Economic Dependence

The Authority received 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.

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 28. Subsequent Events

April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlilcho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tlilcho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation.

Note 29. Comparative Figures

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

Note 30. 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 and internal audit services provided by the Department of Finance.

Transactions with related parties and balances at year-end are included in the financial statements, but not disclosed separately other than in this note:

	2016	2015
<u>Due from related parties</u>		
Accounts Receivable		
GNWT, Note 8		
Department of Health & Social Services	\$ 213,685	\$ 255,592
Department of Justice	-	125
	<u>213,685</u>	<u>255,717</u>
Tlilcho Community Services Agency	-	5,643
Fort Smith Health Centre	-	2,189
Stanton Territorial Health Authority	-	306
DehCho Health & Social Services Authority	-	137
Yellowknife Health & Social Services Authority	552	-
NWT Housing Corporation	-	-
	<u>\$ 214,237</u>	<u>\$ 263,992</u>

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 30. Related Party Transactions (continued)

Due to related parties

Accounts Payable:

GNWT, Note 10		
Department of Health & Social Services	\$ 160,593	\$ 52,165
Department of Finance	29,462	26,549
Department of Human Resources	5,049	13,166
Department of Public Works	3,026	2,651
Department of Justice	-	693
	198,130	95,224
Yellowknife Health & Social Services Authority	17,164	54,714
Stanton Territorial Health Authority	49,251	61,225
	\$ 264,545	\$ 211,163
<u>Contributions repayable, GNWT, Note 12</u>	1,242,179	1,244,301
	\$ 1,506,724	\$ 1,455,464
<u>Accountable capital advances, GNWT, Note 21</u>	\$ 5,829	\$ 5,829
<u>Deferred revenues, GNWT, Note 11</u>	\$ 845,725	\$ 56,633
<u>Accrued employee termination benefits, Note 16</u>	\$ 138,417	\$ 151,756

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 31. 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 Notes 4, 8 and 17.

The Authority's maximum exposure to credit risk is represented by the financial assets less the pension plan asset for a total of \$1,841,764 (2015 - \$1,466,329)

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Notes to the Financial Statements

For the year ended March 31, 2016

Note 31. Financial Instruments (continued)

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, 2016 one customer in accounts receivable accounts for 64% (2015 - 60%) 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 \$8,187,764 including the \$6,346,000 pension asset; financial liabilities are \$7,360,255. The authority has disclosed future financial liabilities and commitments in Notes 16, 23 and 24.

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 32. Expenses by Object

	2016 Budget	2016 Actual	2015 Actual
Compensation	\$ 21,537,621	\$ 22,313,100	\$ 20,631,462
Locums	2,163,393	1,816,364	2,037,839
Medical supplies	852,679	970,154	875,477
Referred out services	634,136	621,087	629,346
Purchases service personnel	571,500	583,711	601,360
Equipment maintenance	367,483	323,706	382,326
Foster care	482,500	287,397	328,207
Rent	245,584	242,380	267,064
Software licensing	131,110	230,234	123,238
Professional fees	178,083	227,882	136,621
Travel assistance	262,000	221,941	250,733
Phone and postage	150,503	205,747	158,233
Locum removal	214,000	189,512	214,251
Office supplies	152,401	143,237	131,896
Travel	102,850	135,236	143,632
Minor equipment	102,500	131,422	158,389
Training	139,500	58,900	99,396
Honorariums	52,500	56,698	55,300
Memberships	28,835	27,217	21,587
Garbage	25,200	23,781	16,166
Advertising	38,950	17,802	21,196
Bad debt	2,000	14,474	36,533
Bank charges	3,940	5,268	4,061
	\$ 28,439,268	\$ 28,847,250	\$ 27,324,313

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY

Schedule of Contributions from the GNWT

Schedule A

For the year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core Contribution Department of Health			
Administration	\$ 779,000	\$ 2,049,000	\$ 4,110,000
Finance	385,000	388,000	-
Systems Support	623,000	549,544	-
Human Resources	1,276,000	1,278,000	-
Hospital services	-	-	13,012,000
Facility Maintenance & Support	3,195,000	3,415,000	-
Client Support Services	387,000	391,000	-
Specialty Clinics	447,000	448,000	-
Community Clinics & Health Centres	4,945,000	4,984,000	-
Community Mental Health & Addictions	801,000	805,000	-
Health Promotion & Community Wellness	310,000	310,000	53,000
Intervention Services	-	-	289,000
Social Services Delivery	-	-	1,750,000
Homecare & Support Services	622,000	625,000	596,000
Residential Care Children & Adults	4,390,000	4,411,000	4,263,000
Foster Care	-	-	452,000
Child & Family Services	1,479,000	1,483,000	-
Family Violence	513,000	513,000	513,000
Diagnostic Services	1,730,000	1,735,000	-
Pharmacy	191,000	191,000	-
Therapeutic Services	866,000	870,000	-
Physician Services to NWT Residents	-	-	2,287,000
Medical & Surgical Nursing	2,333,000	2,694,000	-
Long Term Care Nursing	1,141,000	1,146,000	-
Obstetric and Pediatric Nursing	495,000	500,000	-
Medical Equipment under \$50,000	-	-	24,000
Medical Travel	22,000	22,000	22,000
	26,930,000	28,807,544	27,371,000
less deferred contributions	-	(39,092)	-
	26,930,000	28,768,452	27,371,000
Other Department of Health and Social Services Contributions			
Home and Community Care (Schedule A-1)	316,244	349,142	336,282
Collective Kitchens Food Vouchers	-	23,003	9,024
Prenatal/Postnatal Parenting	-	17,621	-
Children Who Witness Abuse	12,500	12,500	12,500
Mental Health First Aid	-	3,649	5,709
Applied Suicide Intervention Skills Training	-	2,371	4,832
Electronic Medical Records - Implementation	-	-	8,234
Northern Graduate Employment Program	-	-	7,471
	328,744	408,286	384,052
Total Department of Health	27,258,744	29,176,738	27,755,052
GNWT Department of Human Resources	-	10,353	24,780
Total Contribution from the GNWT	\$ 27,258,744	\$ 29,187,091	\$ 27,779,832

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
 Schedule of Detailed Contribution Funding and Expenditure
 Home and Community Care
 SC HSS01-000002661am2
 For the year ended March 31, 2016

Schedule A-1

	2016		2015
	Actual		Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ 374,065	\$	366,897
less contributions repayable	(24,923)		(30,615)
	349,142		336,282
Expenditures			
Compensation and benefits	320,107		306,104
Supplies	11,372		7,241
Sundry	15,513		13,575
Equipment expense	2,150		9,362
Rent	-		-
	349,142		336,282
	\$ -	\$	-

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Recoveries

Schedule B

For the year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
Recoveries from the GNWT			
Department of Health and Social Services	\$ 240,000	\$ 169,801	\$ 288,374
French Language	-	112,663	10,717
Electronic Medical Records	-	18,542	33,191
HSS System Transformation	-	18,095	2,131
Mental Health	-	11,479	7,963
Social Services	-	6,055	2,165
Homecare	-	528	-
Community Wellness Aboriginal Health	-	470	-
	240,000	337,633	344,541
Department of Infrastructure	-	237,066	78,707
Department of Human Resources	-	6,347	-
Department of Justice	-	2,044	-
Department of Housing	-	25	240
Department of Public Works	-	-	3,399
Public Trustee	-	434	-
Total Recoveries from the GNWT	240,000	583,549	426,887
Recoveries directly from Third Parties			
Workers Safety and Compensation Commission	60,000	174,519	162,435
Service Canada		1,491	-
Royal Canadian Mounted Police		1,801	4,567
Government of Nunavut		-	-
Dehcho Health & Social Services Authority		11,245	6,402
TIICho Community Services Agency		3,395	-
Fort Resolution Health & Social Services Authority		2,620	2,620
Fort Smith Health & Social Services Authority		1,821	2,921
Stanton Territorial Health Authority		648	292
Fort Resolution Housing		25	-
Yellowknife Health & Social Services Authority		-	5,625
Sahtu Health & Social Services Authority		-	2,791
NWT Housing Corp		75	330
Client Revenue	553,013	552,743	486,839
Cafeteria	137,500	146,111	145,299
Hay River Dental Clinic	150,000	123,225	126,300
Foundation		33,174	63,460
Insurance Companies		19,727	7,288
UNW		10,266	4,761
Meals on Wheels	5,000	6,906	6,720
Canada Health Info way		3,064	-
Legal Firms		1,641	1,463
TIICho Logistics		1,340	2,728
Canadian Partnership Against Cancer		1,336	-
TIICho Domco		1,177	-
Blue Cross		450	1,148
Family Support Center		375	-
Total Recoveries directly from Third Parties	905,513	1,099,175	1,033,989
Total Recoveries	\$ 1,145,513	\$ 1,682,724	\$ 1,460,876

* Reclassified for comparative purposes

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
 Schedule of Other Contributions

Schedule C

For the year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
Other Contributions from Related Parties	\$ -	\$ -	\$ -
Other Contributions from Third Parties			
Hay River Metis Government Council			
Community Wellness Initiatives	\$ -	\$ 32,647	\$ 3,405

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Other Income

Schedule D

For the year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
Other Income from Related Parties	\$ -	\$ -	\$ -
Other Income from Third Parties Internal Transfers	\$ -	\$ -	\$ 8,932

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
 Schedule of Expenses

Schedule E

For the year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
Compensation and Benefits			
Third Parties - Other	\$ 21,537,621	\$ 22,313,100	\$ 20,631,462
Grants expenses			
Third Parties - Other	-	-	-
Contributions expenses			
Third Parties - Family Support Center	525,500	525,500	525,500
Other Expenses			
GNWT			
Department of Public Works	129,544	161,062	117,686
Department of Justice	-	5,924	3,783
Department of Health and Social Services	-	5,419	-
Department of Human Resources	-	5,049	13,166
	129,544	177,454	134,635
Related Parties			
Stanton Territorial Health Authority	-	236,077	176,650
Yellowknife Health & Social Services Authority	-	66,274	39,613
Dehcho Health & Social Services Authority	-	1,706	-
Fort Smith Health & Social Services Authority	-	-	581
	-	304,057	216,844
Third Parties - Other	6,246,603	5,527,139	5,815,872
Total Other expenses	6,376,147	6,008,650	6,167,351
Total Expenses	\$ 28,439,268	\$ 28,847,250	\$ 27,324,313

HAY RIVER HEALTH & SOCIAL SERVICES AUTHORITY
Schedule of Reserves

Schedule F

For the year ended March 31, 2016

	Leave and Termination Benefits Reserve		Cash Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ (1,889,258)	\$ (1,768,949)	\$ 500,000	\$ 500,000	\$ (1,389,258)	\$ (1,268,949)
(Increase) Decrease in employee leave and termination benefits, Note 16 ⁽¹⁾	(87,687)	(120,309)	-	-	(87,687)	(120,309)
Transfers between reserves ⁽²⁾	(849,480)	-	-	-	(849,480)	-
Balance, end of year	\$ (2,826,425)	\$ (1,889,258)	\$ 500,000	\$ 500,000	\$ (2,326,425)	\$ (1,389,258)

⁽¹⁾ The (increase) decrease in the employee termination benefit is the net of the accrued liability recorded in the year less any payouts made in the year.

⁽²⁾ The transfer represents the current portion of the benefits as outlined in Note 16 as the prior year value reflected in the Leave and Termination Benefits Reserve only included the value of the long term portion.

**Sahtu Health & Social Services Authority
Financial Statements
Norman Wells, NT
Year End March 31, 2016**

Sahtu Health & Social Services Authority

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Schedule B - Schedule of Other Recoveries for Directly from Third Parties

Schedule E - Schedule of Expenses

Schedule F - Schedule of Reserves

Management Discussion and Analysis

Introduction

Preparation of this Management Discussion and Analysis is the responsibility of Sahtu Health and Social Services Authority (SHSSA) Senior Management and Board of Trustees to promote transparency and accountability regarding financial management of the Authority.

SHSSA's mission statement is to ensure that people, families and communities of the Sahtu are mentally, emotionally, spiritually, physically and culturally healthy. To achieve this, the SHSSA Board of Trustees developed eight Guiding Principles which highlight care and services based on relationships, bringing care to the people, provision of care and services through partnerships and as an integrated team. SHSSA's fictional "Esther Story" serves as an example and a reminder that providing relationship-based care and service to the residents of the Sahtu is at the heart of what we are trying to achieve.

SHSSA Board Trustees:

Danny Bayha – Chair

Dakota Erutse – Youth Trustee

Irene Kodakin – Deline Trustee

Margaret McDonald – Norman Wells Trustee

Alphonsine McNeely – Elder Trustee

Alvin Orlias – Colville Lake Trustee

Brenda T'Seleie – Fort Good Hope Trustee

Key SHSSA Senior Management staff:

Mireille (Mimi) Hamlyn – Acting CEO and Director, Health and Social Programs

Arthur (Art) Bungay – Director, Finance and Administration

Financial Highlights

Sahtu Health and Social Services Authority receives the majority of its funding from the Government of Northwest Territories (see Chart 1).

Community Health Services accounts for the majority of Sahtu Health and Social Services expenditures (see Chart 2).

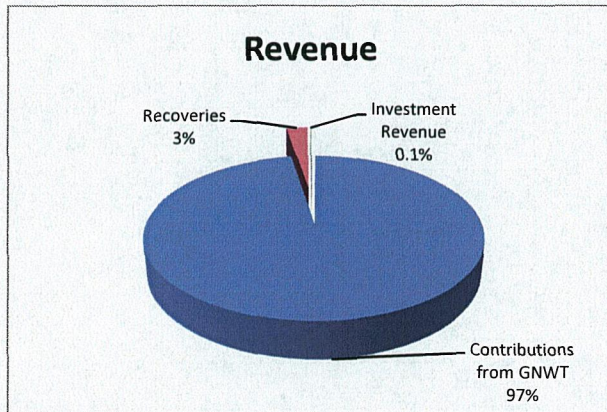


Chart 1

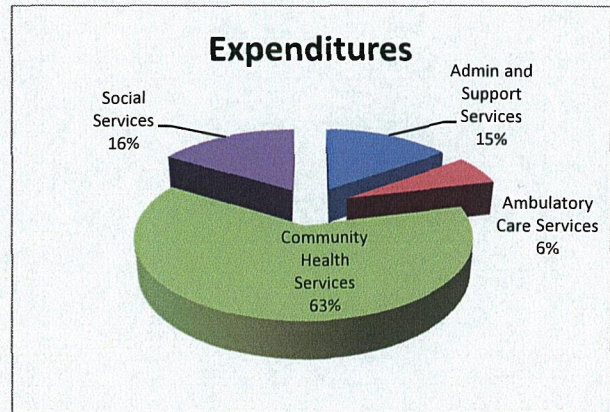
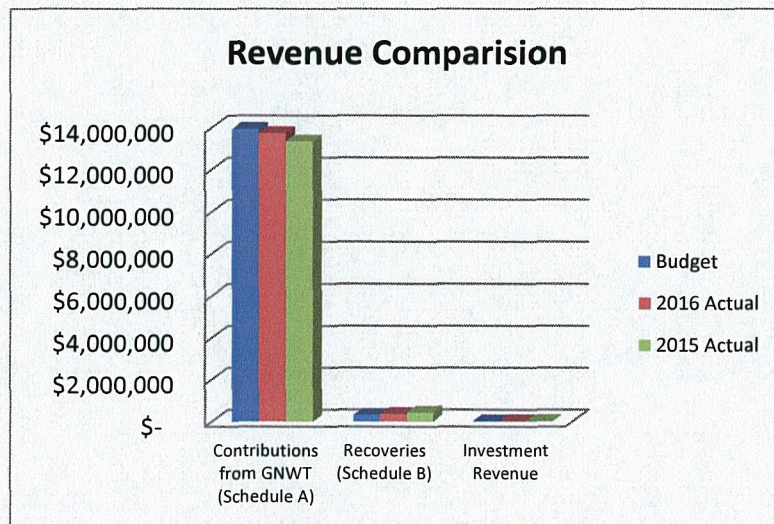
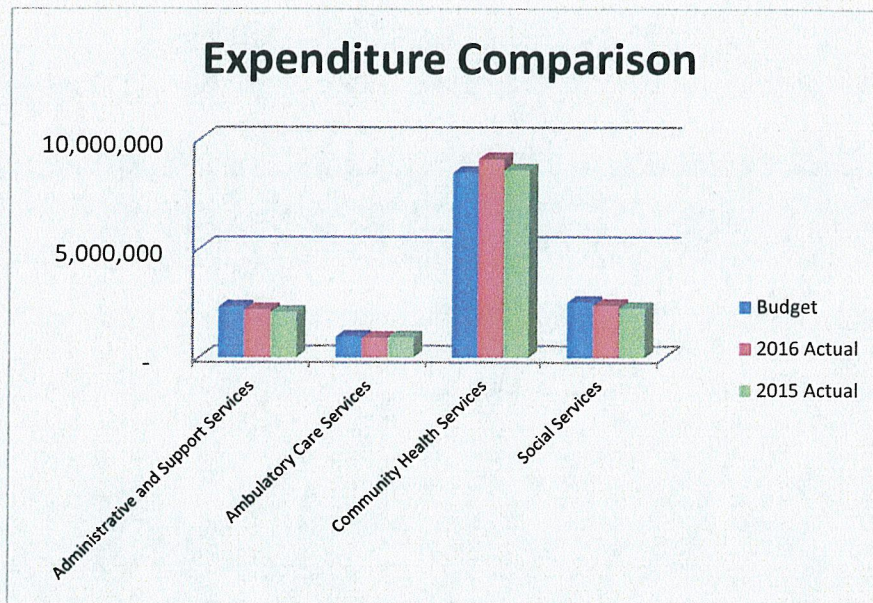


Chart 2

Sahtu Health and Social Services Authority received additional funding from the Government of Northwest Territories for Collective Agreement increases during the year.



Sahtu Health and Social Services Authority experienced a 6% increase in expenditures over last year. Approximately half of the increase was related to training Sahtu residents for possible employment positions in the new Long Term Care Facility in Norman Wells. Total actual expenditures were slightly over budget at 2%.



Operating Environment

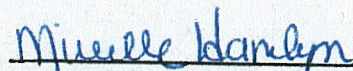
Sahtu Health and Social Services Authority was able to staff many of its positions over the last year which is essential in providing adequate programs. However, vacancy and turnover is an issue within the Health and Social Services field -- particularly in remote regions.

Financial Conditions

Sahtu Health and Social Services Authority had a \$416,136 deficit which equals 3% of its budget. Its accumulated deficit stands at \$1,484,587. Higher demands in all programs have put pressure on areas which are already struggling to meet budget. In addition, meeting the needs of an aging population, children and families accessing care, as well as supporting residents living with chronic disease, is placing budgetary pressures on all program areas.

Summary and Outlook

Sahtu Health and Social Services Authority has been able to manage its current resources to meet the ever increase in demands. This will continue to be a challenge in the future as demands continue to rise.


 Mireille Hamlyn, Acting CEO

July 22, 2016

Date

Management Responsibility Letter

To the Minister of Health and Social Services

Management Responsibility for Financial Reporting for the year ended March 31, 2016

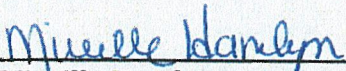
The Management Discussion & Analysis, Financial Statements, Schedules and Notes herein submitted have been reviewed by management. They provide full disclosure and accurately reflect the financial and non-financial condition of the authority in all material respects and in accordance with Canadian Public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

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriated accountability for performance within well-defined areas of responsibility. The operations and administration of Sahtu Health and Social Services Authority have been conducted with the statutory powers of the Health Authority. The operations and administration of the Health Authority as well as the supporting internal controls of the entity are regularly monitored to ensure their effectiveness and their continued compliance with all relevant legislation, standards, directives and policies including but not limited to the Financial Administration Act, CPSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Health Authority Board. Any 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 and employees with either current or potential impact on financial results, fraud or suspected fraud, disbursements made for purposes not consistent with an appropriation, irregular commitments including those in the form of guarantees, violations or possible violations of laws or regulations, claims or litigation, known or suspected environmental site contaminations or of any other undisclosed environmental or safety hazards within its jurisdiction.

The Auditors annually provide an independent, objective audit for the purpose of expressing an opinion of the financial statements in accordance with generally accepted auditing standards. The auditor also considers whether the transactions that come to their notice in the course of this audit are, in all significant respects, in accordance with specified legislation and directives from the Department of Health and Social Services, Government of the Northwest Territories.

Approved and confirmed on behalf of the Sahtu Health and Social Services Authority


Mireille Hamlyn, Acting CEO

July 22, 2016



AVERY COOPER & CO. LTD.
Certified General Accountants

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INDEPENDENT AUDITORS' REPORT

To the Minister of Health and Social Services Government of the Northwest Territories

Report on the Financial Statements

We have audited the accompanying financial statements of the Sahtu Health and Social Services Authority, which comprise the Statement of Financial Position as at March 31, 2016, and the Statements of Operations, Changes in Net Financial Resources and Changes in Financial Position for the year then ended. We have also audited the revenue and expenditures of programs funded through contribution agreements by the Departments of Health and Social Services which total \$250,000 or more as listed in Schedule A.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

The GNWT is responsible for the calculation and distribution of the salaries and wages that appear on the statement of operations, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the GNWT was accurately reflected in the Agency's records.

Qualified Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2016 and the results of operations, net debt and changes in financial position for the year then ended in accordance with Canadian public sector accounting standards. Furthermore, these statements present fairly, in all material respects, the funding and expenditures of all health and Social Services funded programs \$250,000 or more in Schedule A for the year ended March 31, 2016 in accordance with the provisions established by the individual contribution agreements.

Auditors' Report cont'd

Report on Other Legal and Regulatory Requirements

We further report, in accordance with the Financial Administration Act, in our opinion, proper books of account have been kept by the Sahtu Health and Social Services 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 the Authority.

Avery Cooper & Co. Ltd.

Avery Cooper & Co. Ltd.
Certified General Accountants
Yellowknife, NT

July 22, 2016

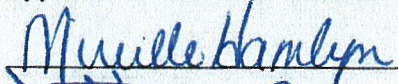
Sahtu Health & Social Services Authority

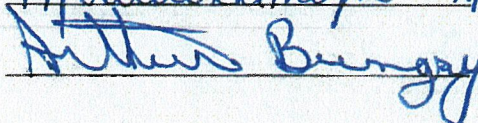
Statement of Financial Position

As of March 31, 2016

FINANCIAL ASSETS	2016	2015
<i>Cash and Cash Equivalents (Note 4)</i>	694,431	399,176
<i>Accounts Receivable (Note 8)</i>	290,357	577,703
	<u>984,788</u>	<u>976,879</u>
LIABILITIES		
<i>Accounts Payable & Accrued Liabilities (Note 10)</i>	1,138,213	728,793
<i>Wages & Benefits Payable - GNWT (Note 10)</i>	753,894	673,960
<i>Contribution Repayable (Note 12)</i>	36,736	73,728
<i>Employee Leave and payroll related Liabilities (Note 16)</i>	717,014	705,906
	<u>2,645,856</u>	<u>2,182,387</u>
Net Financial Assets/(Debt)	<u>(1,661,069)</u>	<u>(1,205,508)</u>
Non-Financial Assets		
<i>Inventory held for use (Note 9)</i>	157,057	157,057
<i>Prepaid Expenses</i>	19,425	-
	<u>176,482</u>	<u>157,057</u>
<i>Accumulated Surplus/(Deficit)</i>	<u>(1,484,587)</u>	<u>(1,048,451)</u>
Contractual Obligations (note 23)		
Contingent Liabilities (note 24)		

Approved on behalf of the Authority:

 Muirle Hamlyn A/Chief Executive Officer

 Arthur Bungay Director of Finance & Administration

See the accompanying notes and schedules.

Sahtu Health & Social Services Authority

Statement of Operations

For the year ended March 31, 2016

	2016 Budget (unaudited)	2016 Actual	2015 Actual
REVENUE			
Contributions from GNWT (Schedule A)	\$ 13,927,068	\$ 13,728,636	\$ 13,345,277
Recoveries (Schedule B)	314,208	355,153	435,573
Investment Revenue	15,996	19,475	19,342
	14,257,272	14,103,264	13,800,192
EXPENSES			
Administrative and Support Services	2,321,857	2,191,949	2,084,917
Ambulatory Care Services	947,000	887,847	920,299
Community Health Programs	8,457,389	9,074,468	8,578,219
Community Social Programs	2,531,026	2,385,135	2,270,887
Total Expenses (Schedule E)	14,257,272	14,539,401	13,854,321
OPERATING SURPLUS (DEFICIT)	-	(436,136)	(54,129)
Unfunded Items			
Change in employee leave and termination benefits (Note 8)		11,108	50,013
ANNUAL SURPLUS (DEFICIT) Before the Following		(425,028)	(4,116)
Rent Expense-GNWT Assets provided at no cost (Note 22)	257,577	215,971	302,042
Grant-in-Kind - GNWT Assets provided at no cost (Note 22)	(257,577)	(215,971)	(302,042)
ANNUAL SURPLUS (DEFICIT)	-	(425,028)	(4,116)
Opening Accumulated Surplus	-	(1,048,451)	(994,322)
Closing Accumulated Surplus	-	(1,484,587)	(1,048,451)

See the accompanying notes and schedules.

Sahtu Health & Social Services Authority

Statement of Changes in Net Financial Resources (Debt)

For the year ended March 31, 2016

	2016 Budget (unaudited)	2016	2015
Annual Surplus/(Deficit)	-	(436,136)	(54,129)
Adjustments:			
Consumption of Inventories Used	200,000	211,857	194,826
Acquisition of Inventories Used	(200,000)	(211,857)	(177,432)
Use of Prepaid Expenses		-	2,290
Acquisition of Prepaid Expenses		(19,425)	-
(Increase)/Decrease in net debt		(455,561)	(34,445)
Opening net financial resources	(1,661,069)	(1,205,508)	(1,171,063)
Closing net financial resources		(1,661,069)	(1,205,508)

See the accompanying notes and schedules.

Sahtu Health & Social Services Authority

STATEMENT OF CASH FLOW

For the year ended March 31, 2014

	<u>2016</u>	<u>2015</u>
Operating Surplus / (Deficit)	(436,136)	(54,129)
(Increase) Decrease in Accounts Receivable	287,347	227,271
Increase (Decrease) in Accounts Payable	409,420	(444,289)
Increase (Decrease) in Contributions Repayable	(36,993)	73,728
Increase (Decrease) in Wages and Benefits Payable	91,042	442,698
Net (Acquisition) Consumption of Prepays	(19,425)	2,290
Net (Acquisition) Consumption of Inventory	-	17,394
Net Cash from Operations	295,255	264,963
Cash Provided by Investing Transactions	-	-
Cash Provided by Financing Transactions	-	-
Opening Cash and Cash Equivalents	399,176	134,213
Closing Cash and Cash Equivalents (Note 4)	<u><u>694,431</u></u>	<u><u>399,176</u></u>

See accompanying notes and schedules.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

1. AUTHORITY

The Sahtu Health & Social Services Authority (the "Authority") operates under the Hospital Insurance and Health and Social Services Administration Act of the Northwest Territories. The Authority was established on October 1, 2003 to manage, control and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Canadian Public Sector Accounting Board and by directives 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:

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 Authority 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 Authority are:

Operating Fund- reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

c) Surplus 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.

The Authority does not have sufficient funds to establish either of these reserves.

d) 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 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 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.

e) Inventories 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.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

f) **Accrued Employee Leave and Termination Benefits**

In accordance with GNWT accounting policies specified for public agencies, the Authority annually accrues estimated employee leave and termination benefits payable.

g) **Pensions**

The Authority 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 Authority and are recognized in the accounts on a current basis.

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.

h) **Revenue Recognition**

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

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.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

i) Financial Instruments

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

This category includes cash, special purpose funds, 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.

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.

j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authority 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. Actual results could differ from these estimates.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

3. FUTURE ACCOUNTING CHANGES

Inter-entity transactions

In March 2015, the Public Sector Accounting Board (PSAB) issued Section PS 3420, "Inter-entity transactions". This new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new Section are:

- under a policy of cost allocation, revenues and expenses are recognized on a gross basis;
- transactions are measured at their carrying amount, except in special circumstances;
- a recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice, and
- the transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.

This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Sahtu Health and Social Services Authority is currently assessing the impact of this Section.

Assets

In June 2015, the PSAB issued Section PS 3210, "Assets". This new Section provides guidance for applying the definition of assets and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, the reason(s) for this should be disclosed. This Section applies to fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. The Sahtu Health and Social Services Authority is currently assessing the impact of this Section.

Sahtu Health & Social Services Authority

Notes to the Financial Statements For the year ended March 31, 2016

4. CASH AND CASH EQUIVALENTS

	2016	2015
Cash	\$ 694,431	\$ 399,176

5. SPECIAL PURPOSE FUNDS

Nil Report

6. RESTRICTED ASSETS

Nil Report

7. PORTFOLIO INVESTMENTS

Nil Report

8. ACCOUNTS RECEIVABLE

	Accounts Receivable 2016	Allow. For Doubful Accounts 2016	Net	2016 Net	2015
Due from GNWT	253,677	2,751		250,926	514,115
Workers' Safety and Compensation Commission	14,697	2,412		12,285	16,143
Due from Third Parties	68,495	41,349		27,146	47,445
Hospital related costs due from Third Parties	-	-		-	-
	<u>336,869</u>	<u>46,512</u>		<u>290,357</u>	<u>577,703</u>

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

9. INVENTORY

	2016	2015
Inventory held for use		
Medical Supplies	142,054	142,054
Pharmacy	15,003	15,003
	<u>157,057</u>	<u>157,057</u>

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Due to GNWT	441,633	190,894
Due to Workers' Safety and Compensation Commission	20,840	-
Due to Aurora College	306,780	-
Due to Third Parties	368,960	537,899
	<u>1,138,213</u>	<u>728,793</u>

	2016	2015
Payroll Liabilities		
GNWT - Department, Finance	753,894	673,960

11. DEFERRED REVENUE

Nil Report

12. CONTRIBUTION PAYABLE

	2016	2015
Government of the Northwest Territories		
Department, Health and Social Services		
Healthy Families Program	-	-
Enhanced Home Care	34,240	57,213
Community Wellness Initiative	-	10,732
Mental Health First Aid	42	-
Applied Suicide Intervention	2,454	5,784
	<u>36,736</u>	<u>73,728</u>

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

13. DUE FROM TO THE GOVERNMENT OF CANADA

Nil Report

14. CAPITAL LEASE OBLIGATIONS

Nil Report

15. PENSIONS

Nil Report

16. EMPLOYEE FUTURE BENEFITS

Under the conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of other amounts is dependent on employees leaving the Authority.

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

Employee leave and termination benefits are comprised as follows:

	2016	2015
<i>Leave</i>	266,581	310,254
<i>Termination, Severance, Resignation, Retirement</i>	161,857	146,884
<i>Removal</i>	288,576	248,768
	<u>717,014</u>	<u>705,906</u>

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

17. TRUST ASSETS AND LIABILITIES

Nil Report

18. TANGIBLE CAPITAL ASSETS

Nil Report

19. PREPAID EXPENSES

Nil Report

20. ACCUMULATED DEFICIT

	<u>2016</u>	<u>2015</u>
Unfunded employee future benefits	717,014	705,906
Operating (deficit) surplus	(1,484,587)	(1,048,451)
	<u>(767,573)</u>	<u>(342,545)</u>

21. CAPITAL ADVANCES FROM GNWT

Nil Report

22. GNWT ASSETS PROVIDED AT NO COST

	Cost	Accumulated Amortization	<u>2016</u> Net Book Value	<u>2015</u> Net Book Value
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Buildings	8,099,424	(5,584,664)	2,514,760	2,730,731
Furniture, Fixtures & Equipment	66,955	(66,955)	-	-
Computer & Software	46,728	(46,728)	-	-
	<u>8,213,107</u>	<u>(5,698,347)</u>	<u>2,514,760</u>	<u>2,730,731</u>

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

23. CONTRACTUAL OBLIGATIONS

The Authority has entered into agreements for, or is contractually committed to, the following expenses subsequent to March 31, 2016.

	Expires in Fiscal Year	2017	2018 and thereafter	Total
Commercial & Residential Leases				
Seamus Quigg	2017	29,700	7,425	37,125
Norman Wells Claimant Corporation L	2019	55,800	65,100	120,900
Two Rivers Development Group Ltd.	2016	12,000	-	12,000
Northern Cartrols Ltd.	2017	48,000	12,000	60,000
Equipment Leases				
Xerox Canada Limited	2017	14,767	29,534	44,301
Total		<u>160,267</u>	<u>114,059</u>	<u>274,326</u>

24. CONTINGENT LIABILITES

In the normal course of business, the Authority is subject to claims and pending and threatened litigation against the Authority and its staff. The Authority is defending actions brought against it. Claims are currently being reviewed and the Authority is unable to estimate the financial impact, if any, to the authority.

The Authority did not have any environmental liabilities during the year or all environmental liabilities have been recognized by the Department of Health and Social Services.

25. PRIOR YEAR FUNDING RECEIVED

Nil Report

26. BUDGET

Budget figures are the opening budgets that were approved by Authority's board of directors or Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

27. 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

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

28. SUBSEQUENT EVENTS

April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT 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 THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence the Sahtu Health and Social Services Authority will no longer exist as a separate legal authority.

29. COMPARATIVE FIGURES

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

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

30. 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 business. The Authority is provided with various administrative services by the GNWT, the value of which is not reflected in these financial statements. The administrative costs include legal services by the Department of Justice, insurance coverage by the Department of Finance, compensation services by the Department of Human Resources, and internal audit services by the Department of Finance.

	2016	2015
Due from related Parties		
Government of Northwest Territories		
Department, Health and Social Services	250,926	530,258
	<u>250,926</u>	<u>530,258</u>
Due to related Parties		
Government of Northwest Territories		
Department, Health and Social Services	360,741	64,253
Department, Finance	3,058	56,112
Department, Public Works and Services	66,766	70,529
Department, Human Resources	764,961	673,960
Aurora College	306,780	-
Stanton Territorial Hospital Authority	165,987	119,752
NWT Power Corporation		940
Beaufort-Delta Health & Social Services Authority	5,834	36,998
	<u>1,674,127</u>	<u>1,022,544</u>

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.

Sahtu Health & Social Services Authority

Notes to the Financial Statements

For the year ended March 31, 2016

31. 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:

(i) Credit risk

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

The Authority holds its cash 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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$290,357 (prior year \$577,703).

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 Authority in the event of a default. The Authority does have concentration risk. At March 31, 2016, receivables from the GNWT comprised 87% of the total outstanding accounts receivables. The Authority reduces this risk by monitoring overdue balances.

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 \$984,788 and financial liabilities are \$2,645,856. The authority has disclosed future financial liabilities and commitments in Note 10 and 23.

32 EXPENSES BY OBJECT

	2016	2015
Compensation	10,590,996	10,204,409
Other	3,948,405	3,649,912
	<u>14,539,401</u>	<u>13,854,321</u>

Sahtu Health & Social Services Authority
SCHEDULE A
Schedule of Contributions From GNWT
For the year ended March 31, 2016

	2016 Budget (unaudited)	2016 Actual	2015 Actual
Core Contribution Department of Health			
Administration	965,000	854,000	1,522,007
Equipment (under \$50,000)	-	-	13,000
Finance	346,000	356,000	-
Systems Support	248,000	248,000	-
Physician Clinics	947,000	887,847	920,299
Health Centres	5,966,000	6,021,000	5,837,000
Home Care	622,000	647,000	559,000
Home Care Tulita	-	-	49,000
Health Promotion & Community Wellness	373,000	379,000	287,000
Healthy Families	-	250,000	-
Child & Family Services	2,318,000	2,339,000	2,154,000
Foster Care	-	-	768,000
Protective Services	-	-	52,000
Family Violence	122,000	122,000	122,000
Community Mental Health & Addictions	738,000	754,000	86,000
Residential Care Children & Adults	604,000	310,113	100,000
Other DHSS Contributions			
Enhanced Home Care	428,068	492,548	491,846
Literacy Program	-	-	1,280
Elders In Motion	-	1,900	3,000
Collective Kitchen Food Vouchers	-	43,544	40,394
Home Based Safety Education	-	4,130	555
Community Development and Wellness Planner	-	-	9,743
Healthy Families	250,000	-	250,000
Family Violence Protocols	-	-	8,154
Applied Suicide Intervention Skills	-	5,236	365
Mental Health First Aid	-	13,318	8,160
CHN Development Program K Ziolkowski	-	-	62,475
Total Contributions from GNWT - Dept of Health	13,927,068	13,728,636	13,345,277

Sahtu Health & Social Services Authority

SCHEDULE A-1

Contribution Agreement

Home Care Enhancement Program

HSS01-2719

For the year ended March 31, 2016

	2016 Budget (unaudited)	2016 Actual	2015 Actual
Funding			
GNWT			
Department of Health & Social Services	428,068	492,548	491,846
Expenses			
Compensation and Benefits			
Norman Wells	36,060	22,428	31,710
Tulita	37,152	25,140	30,737
Fort Good Hope	161,928	171,392	160,961
Deline	177,844	202,676	230,151
Colville Lake	15,084	15,084	17,814
Compensation and Benefits Total	428,068	436,720	471,373
Operations & Maintenance			
Regional	-	19,707	19,423
Norman Wells	-	1,960	-
Tulita	-	4,055	-
Fort Good Hope	-	5,463	-
Deline	-	4,483	1,050
Colville Lake	-	20,160	-
Operations & Maintenance Total	-	55,828	20,473
Expenses Total	428,068	492,548	491,846
Excess Funding Over Expenses	-	-	-

Sahtu Health & Social Services Authority
SCHEDULE B
Schedule of Other Recoveries directly from Third Parties
For the year ended March 31, 2016

	2016 Budget (unaudited)	2016 Actual	2015 Actual
Recoveries from the GNWT			
<i>Department, Health & Social Services</i>			
<i>Health Insurance Services</i>	78,360	65,518	86,622
<i>Contract out Lab Services</i>	-	10,560	36,649
Recoveries directly from Third Parties			
<i>WSCC</i>	26,760	75,068	33,979
<i>Co-payment Users</i>	9,000	3,676	6,422
<i>NIHB</i>	126,000	122,966	185,229
<i>NWT Status of Women Council</i>	-	2,000	-
<i>Transient Accommodations</i>	74,088	75,365	86,672
	314,208	355,153	435,573

Sahtu Health & Social Services Authority
SCHEDULE E
Schedule of Expenses
For the year ended March 31, 2016

	2016 Budget (unaudited)	2016 Actual	2015 Actual
Compensation and Benefits			
GNWT			
<i>Department, Finance</i>	9,830,632	10,048,447	9,636,338
<i>Third Parties</i>	574,980	542,549	568,071
Total Compensation and Benefits	10,405,612	10,590,996	10,204,409
Other Expenses			
Related Parties			
BDHSSA	-	172,815	187,820
Stanton	-	302,686	264,946
<i>Aurora College</i>	-	-	-
Third Parties	3,851,660	3,472,904	3,197,146
Total Other Expenses	3,851,660	3,948,405	3,649,912
Net Expenses	14,257,272	14,539,401	13,854,321

Stanton Territorial Health Authority

Financial Statements

March 31, 2016

Stanton Territorial Health Authority

Financial Statements

March 31, 2016

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**To the Minister of Health and Social Services
Government of the Northwest Territories**

**Management's Responsibility for Financial Reporting
For the Year Ended March 31, 2016**

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

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Authority as well as the supporting internal controls of the Authority 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, PSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority. Any non-compliance has been specifically identified and has been communicated to the Minister and Deputy Minister.

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

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

Approved and Confirmed on behalf of Stanton Territorial Health Authority

Gloria Badari, MBA, CPA, CGA
Acting Chief Executive Officer
Stanton Territorial Health Authority

June 28, 2016



MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The Stanton Territorial Health Authority's discussion and analysis provides an overview of the Hospital's financial activities for the fiscal year ended March 31, 2016. The preparation of the Management Discussion & Analysis (MD&A) includes forward-looking statements and is the responsibility of management and the Public Administrator to promote transparency and accountability. This information is designed to focus on the current year's activities, resulting changes, and currently known facts, along with providing forward looking information about the organization's outlook, direction and operations. The MD&A should be read in conjunction with the Hospital's financial statements beginning on page 14.

GOVERNANCE AND ORGANIZATIONAL STRUCTURE

Leadership

Public Administrator – Mr. Joe Handley

Senior Management Team

Ms. Gloria Badari - Acting Chief Executive Officer

Dr. Bing Guthrie - Medical Director

Mr. David Keselman - Director, Ambulatory Care and Medical Affairs, Acting Director of Patient Care Services

Ms. Shirley Johnson - Acting Director of Corporate Services

Ms. Tamara Spong – Acting Chief Financial Officer

Ms. Brianna Timpson – Manager, Quality and Risk Assurance/Patient Representative

Ms. Delphine Elleze – Manager, Aboriginal Wellness Program

Ms. Leigh Wells – Coordinator, Communications Policy and Planning

See page 5 for a functional organizational chart

Elder's Council

Mr. Francois Paulette, Chair

Ms. Florence Barnaby

Mr. Gabriel Hardisty

Mr. Pat Martel

Ms. Marie Adele Rabesca

Mr. Robert Sayine

Ms. Mary Teya

STANTON TERRITORIAL HEALTH AUTHORITY AT A GLANCE

Services and Programs

Acute Services with 68 inpatient beds

- Surgical Services
- General Medicine
- Pediatrics
- Obstetrics
- Psychiatry
- Intensive Care Unit

Ambulatory Services

- Emergency Services
- Specialist Clinics
- Eye Clinic
- Rehabilitation services – Inpatient and outpatient
- Dialysis
- Chemotherapy
- Endoscopy
- IV therapy

Extended Care Unit with 10 inpatient beds

Territorial Programs

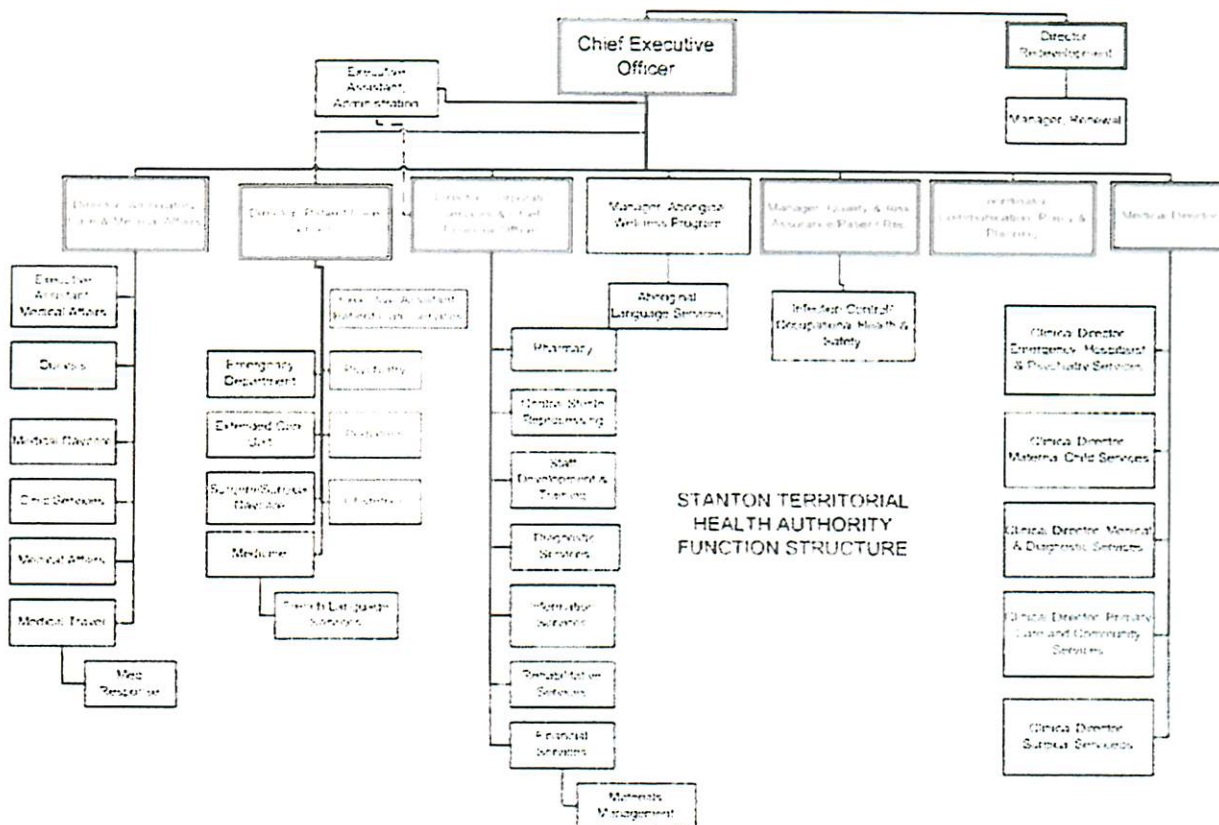
- Medical Travel
- Med-Response
- Renal Insufficiency Program

Support Services – Clinical and Non-Clinical

- Diagnostics- inpatient and outpatient services
- Laboratory – inpatient and outpatient services
- Pharmacy – inpatient
- Materials Management and Contract administration
- Facility and Biomed Services
- Business Office – registration, health records, finance, staff education, information systems

Services Provided to others

- Biomedical
- Specialist Clinics
- Rehabilitative
- Vision Care
- Procurement
- Reprocessing



MISSION

Stanton Territorial Health Authority (STHA) 2015-2017 Operational Plan supports the draft Health and Social Services (HSS) System Strategic Plan. Here is a link to the HSS strategic planning information.

<http://www.hss.gov.nt.ca/sante-services-sociaux/slides/caring-our-people>

HSS MISSION

- Through partnerships, provide equitable access to quality care and services and encourage our people to make health choices to keep individuals, families and communities health and strong

HSS VISION

- Best Health
- Best Care
- For a Better Future

HSS Goals

- Improved health and wellness of the population
- Care and services are responsive to the needs of children, individuals, families and communities
- Ongoing sustainability of the health and social services system.

STHA PRIORITIES

Best Health

- Wellness: Use all opportunities to Promote Wellness for Patients and the Public
- Workforce: Foster a work environment and culture where all staff are supported in, and understand their role in providing the best care for our patients.

Best Care

- Deliver excellent patient care
- Enhance existing programs to improve services provided to patients

For A Better Future

- Infrastructure: Provide infrastructure that enables staff to deliver quality patient care
- Partnerships: Cultivate strong and collaborative relationships with all partners to provide a continuum of quality care
- Accountability: Demonstrate accountability and a commitment to operational excellence

Employees

Recruitment, retention and management of employees are critical for the long term health and success of an organization. As of March 31, 2016 STHA had 567 employees which is a slight increase from 2014/15 and a 10% increase from 2012/13.

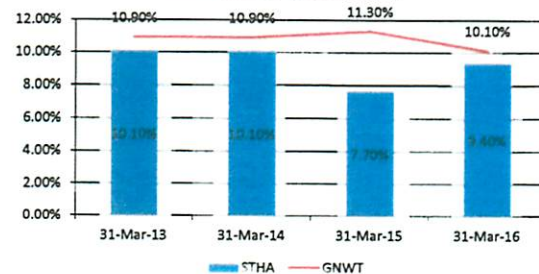
Stanton's 567 employees are comprised of: 486 or 85.6% are women, 115 or 20.3% are indigenous, the average age is 42 and 98 or 17.3% are eligible to retire within 5 years.

STHA has set an internal target of 8.0% as a vacancy rate, with an actual rate of 13.7% for March 31, 2016. In October 2014, a number of positions were inactivated which resulted in an overall lower vacancy rate. Staff turnover has stayed relatively stable over the last 4 years and at 9.40% is marginally lower than the GNWT rate.

STHA Historical Vacancy Rates



Historical Staff Turnover Rates



OPERATING RESULTS

The following table summarizes the Statement of Operations for Stanton Territorial Health Authority.

STATEMENT OF OPERATIONS	BUDGET 2015/16 (in 000's)	ACTUAL 2015/16 (in 000's)	VARIANCE 2015/16 (in 000's)	ACTUAL 2014/15 (in 000's)	INCREASE (DECREASE) (in 000's)
Revenue (less prior year funding)	\$ 126,304	\$ 130,624	\$ 4,320	\$ 120,722	\$ 9,902
Expense	\$ 136,012	\$ 133,447	\$ 2,565	\$ 127,796	\$ 5,651
Operation Surplus (Deficit)	\$ (9,708)	\$ (2,823)	\$ 6,885	\$ (7,074)	\$ 4,251

In 2015-2016, the provision of health-care services for STHA cost an average of \$366 per day which is a 4.57% increase from \$350 per day in 2014-2015.

Revenue Analysis

STHA's total revenue increased by \$9,902 or 8.20% from 2014-2015 to 2015-2016 which was a result of increased core funding from the Department of Health and Social Services (DHSS) of \$6,325 or 7.14%. Other key drivers for the increase in revenue relates to an increase in Nunavut patient revenue of \$1,333 or 14.8%, and Other patient revenue of \$1,521 or 2.91%.

Actual revenue compared to budget for 2015-2016 had a positive variance of \$4,320. There was an increase of \$1,516 in Nunavut patient revenue, an increase of \$1,630 in other patient revenue and \$1,041 in other recoveries that consisted \$324 in recoveries from the Stanton Foundation of which neither had a budget for the 2015-2016 fiscal year.

Expense Analysis

Total Expenses for 2015-2016 fiscal year was \$133,447 which was an increase of \$5,651 or 4.42% from prior year. Medical Travel had an overall increase of \$3,864 from the prior year. This net increase relates to the cost of the new air ambulance contract and an 18.15% decrease in other medical travel costs. Salaries and benefits had an overall increase of \$1,136 or 1.5% from prior year.

A decrease in expenses of \$2,565 over budget also contributes to the decrease of the budgeted operating deficit compared to actual. There are many increases and decreases amongst the expense items which mostly offset each other. The decrease in salary and benefits of \$2,659 compared to budget as the main driver. For a detailed breakdown of budget and actual expenses by object please see Note 32 on page 32

OPERATING ENVIRONMENT

There are two significant events in the near future that will impact management and staff at STHA. The first is the System Transformation of the health authorities. The anticipated start date for this transformation is August 1, 2016. The second is the construction of the new Stanton Territorial Hospital with a substantial completion date of November 2018 with occupancy in the spring of 2019. Both of these projects will provide opportunities and challenges for the staff and management of STHA.

Key strengths of the organization are: committed and engaged staff whom are ready to undertake the changes ahead. In preparing for the opening of a new hospital with new layout, equipment and workflows staff are preparing for first patient day by undertaking occupancy planning with a gap analysis of current state and expected future state workflows. This gap analysis will allow staff to prepare for the workflow changes to come. For example, patient journey, supply chain management and medication management. Managers have undertaken change management training that will better prepare themselves and staff for the changes to come.

There are a number of challenges facing the organization over the next few years: financial sustainability, staff uncertainty of how changes will affect them, risk of organizational change fatigue, staff and manager workload, succession planning for areas with upcoming retirements, aging information systems and the need for clear and regular communications to staff. STHA management is working closely with Stanton Renewal team on the scheduling of events endeavoring to align work commitments for effective use of time. Both Stanton Renewal and System Transformation have communication plans in place to ensure regular communications to all staff. Stanton management is addressing financial sustainability by reviewing and adjusting staff schedules to reduce overtime and workload issues.

The primary external threat that may affect STHA is the local and global economy and how that may affect overall jobs and hiring within Stanton.

System Transformation and the building of a new hospital also provide opportunities for STHA. System Transformation will allow for improved patient care through standardization and improved access to services. The new hospital will provide improved patient experience through design and workflows that align with patient and family centered care.

Financial Condition

As at March 31, 2016 the STHA incurred an operating deficit of \$2.823 million, which was significantly less than the budgeted operating deficit of \$9.707 million. This deficit has increased STHA's accumulated deficit to \$24.773 million. For a more detailed look at STHA's Financial Condition please see the Statement of Financial Position (Statement I) on page 15 and Accumulated Surplus Deficit (note 20) on page 27.

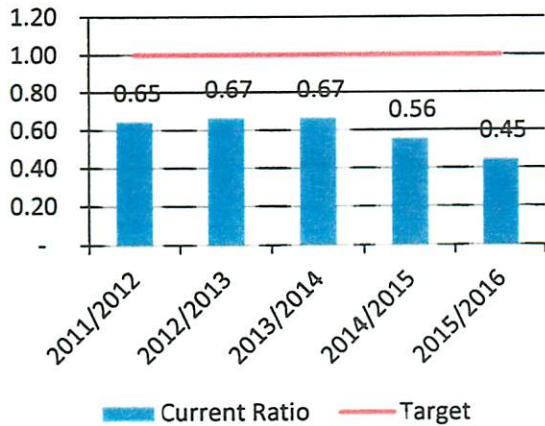
There are a number of factors that contribute to STHA's accumulated deficit. The most significant being the unfunded increases to provisions within the 2012-2016 Collective Agreement between the Union of Northern Workers (UNW) and the Government of the Northwest Territories (GNWT). These unfunded increases include relocation, ultimate removal, responsibility pay, rest periods, maternity/paternity leave benefits, severance and the buyback of pensionable service. See the table below for a detailed breakdown

Expenditure	since Fiscal Year	Accumulated Costs (in 000's)
Relocation & Ultimate Removal	2007-2008	\$ 4,250
Responsibility Pay	2007-2008	\$ 605
Maternity/Paternity	2013-2014	\$ 2,634
Rest Period	2014-2015	\$ 98
Severance	2010-2011	\$ 1,570
Pension Buybacks	2010-2011	\$ 946
Total		\$ 10,105

Stanton's financial position is challenged due to shortfalls in funding, incremental pressures to increase service levels and difficulty in maintaining full staffing rotations which increases the use of overtime to provide services. The Government of Northwest Territories provides payroll services and pay to employees on behalf of STHA. If this arrangement was to change STHA operations would be significantly affected.

Liquidity

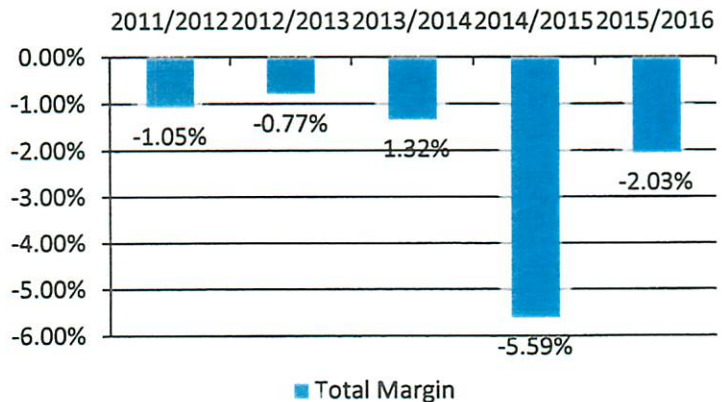
Historical Current Ratio



The current ratio measures STHA's liquidity and ability to pay short term obligations. It is calculated by dividing current assets by current liabilities. STHA's target is 1. A current ratio of less than one indicates there are challenges meeting short term financial obligations.

The total margin measures STHA's fiscal health. It is calculated by dividing current year operating surplus or deficit by an adjusted total operating revenue. STHA's target is 0. A positive percentage means there is a surplus of revenue over expense which is the desired, but not targeted, outcome.

Historical Total Margin



Summary and Outlook

The 2015-2016 has been a challenging year for STHA due to a number of factors including: the additional work staff have undertaken as part of Stanton Renewal project; turnover of senior management; large equipment ever greening projects; system software upgrades; addressing safety and security issues arising from several violent incidents and the uncertainty of System Transformation. A few of the achievements and successes during the year include:

The new Territorial Hospital

- Participated in successful RFP process for the P3 building of the new Territorial Hospital
- Successful completion of Schematic Design and Design Development

Stanton Strategic Work plan

- Work initiated on Patient and Family Centered Care
- Work initiated on improvements to Mental Health and Addictions
- Work initiated on improvements to Cancer Care
- Work initiated on improving clinical education within Stanton
- Work to improve financial sustainability through changes to staff schedules to reduce workload on staff and reduce overtime costs
- Installation of point of sale machines within the hospital to better accommodate patients
- Development of a Biosafety/Biosecurity Program in accordance with new legislation

External Projects involving STHA

- Installation of new replacement Diagnostic equipment
- Software upgrades to Medipatient, and the Laboratory Information System
- Completed RFP process for replacement of Pharmacy Medication Cabinets

The key challenges for this current fiscal year are:

- Continued forward movement on the strategic work plan while meeting commitments and timelines on the Stanton Renewal Project
- How System Transformation will affect staff/managers and any additional projects
- Pressures on the system to increase level of services due to lengthening waitlists.

Stanton management team and staff will manage challenges during the upcoming year by proactively working with the Stanton Renewal Project Team, the newly formed Territorial Health and Social Services Authority and DHSS to ensure active participation while monitoring workloads and the health and well being of staff as well as conducting day-to-day activities of providing health care to the constituents of Northwest Territories and Kitikmeot region of Nunavut.

Management will monitor service delivery waitlists and will endeavor to manage through quality improvement to create capacity and through organized blitzes.

Respectfully submitted



Ms. Gloria Badari, MBA, CPA, CGA
Acting Chief Executive Officer

Independent Auditors' Report

To the Minister of Health and Social Services Government of the Northwest Territories

We have audited the accompanying financial statements of the Stanton Territorial Health Authority as at March 31, 2016, which comprise the statement of operations and the statements of financial position, changes in net financial debt, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures for all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more as listed on Schedule A.

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. Management is also responsible for the preparation of the schedule of 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 accordance with the financial guidelines of the Department of Health and Social Services.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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 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

Salaries and related benefits paid to employees of the Authority 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 were 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 deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material aspects, the financial position of the Stanton Territorial Health Authority as at March 31, 2016, and its financial operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, applied on a basis consistent with the preceding year. Furthermore, except for the limitation relating to payroll as described above, Schedule A presents 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 for the year ended March 31, 2016, in accordance with the financial guidelines of the Department of Health and Social Services.

Report on Other Legal and Regulatory Requirements

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

Yellowknife, Northwest Territories
June 28, 2016

Crowe MacKay LLP
Chartered Accountants

Stanton Territorial Health Authority

Statement of Financial Position

As at March 31,	2016	2015
Financial Assets		
Cash (Note 4)	\$ 3,719,942	\$ 2,679,857
Special Purpose Funds (Note 5)	167,932	153,553
Accounts Receivable (Note 8)	13,941,092	18,163,110
Trust Assets (Note 17)	5,142	14,205
Due from Canada (Note 13)	282,365	315,108
	18,116,473	21,325,833
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	8,416,992	7,836,695
Payroll Liabilities (Note 10)	30,411,845	31,873,539
Due to Government of Canada (Note 13)	13,303	7,225
Employee Future Benefits (Note 16)	6,434,585	6,262,908
Trust liabilities (Note 17)	5,142	14,205
Capital Advances from GNWT (Note 21)	23,081	23,081
	45,304,948	46,017,653
Net Financial Assets (Debt)	(27,188,475)	(24,691,820)
Non-Financial Assets		
Inventories Held for Use (Note 9)	1,910,451	1,718,743
Prepaid Expenses (Note 19)	504,536	640,408
	2,414,987	2,359,151
Accumulated Surplus / (Deficit) (Note 20)	\$ (24,773,488)	\$ (22,332,669)
Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		

Approved on behalf of the Authority



Gloria Badari, MBA, CPA, CGA
Acting Chief Executive Officer



Tamara Spong, CPA, CGA
Acting Chief Financial Officer

Stanton Territorial Health Authority

Statement of Operations

For the year ended March 31,	2016		2015
	(unaudited) Budget	Actual	Actual
Revenue			
Contributions from GNWT (Schedule A)	\$ 95,936,088	\$ 96,092,949	\$ 90,463,672
Contributions from other sources (Schedule C)	95,141	95,141	149,850
Interest income	75,000	81,093	89,084
Other income (Schedule D)	-	17,401	28,715
Recoveries (Schedule B)	30,198,760	34,337,100	29,990,469
Recoveries from prior years' expenses	-	382,620	370,187
Total Revenues	126,304,989	131,006,304	121,091,977
Expenses			
Administration and support	60,924,633	61,925,894	56,313,020
Nursing inpatient services	22,755,806	22,647,179	23,167,080
Ambulatory care	29,265,760	26,791,467	26,713,935
Diagnostic and therapeutic	20,140,072	19,935,761	19,203,296
Regional services	1,423,017	865,632	775,164
Education	1,005,626	794,109	1,305,606
Undistributed	497,000	487,081	317,949
Total Expenses (Schedule E)	136,011,914	133,447,123	127,796,050
Operating Surplus / (Deficit)	(9,706,925)	(2,440,819)	(6,704,073)
Prior Year Funding Received	-	(382,620)	(370,187)
Operating Surplus / (Deficit) Before Prior Year Funding	(9,706,925)	(2,823,439)	(7,074,260)
Unfunded Items			
Change in employee leave and termination benefits (Note 16)	-	171,677	324,706
Annual Surplus / (Deficit) Before The Following	(9,706,925)	(2,651,762)	(6,749,554)
Rent expense - GNWT assets provided at no cost	-	(2,301,864)	(2,405,173)
Grant-in-kind - GNWT assets provided at no cost	-	2,301,864	2,405,173
Annual Surplus / (Deficit)	(9,706,925)	(2,651,762)	(6,749,554)
Opening Accumulated Surplus / (Deficit)	-	(22,332,669)	(15,628,596)
Closing Accumulated Surplus / (Deficit) (Note 20)	\$ (9,706,925)	\$ (24,773,488)	\$ (22,332,669)

Stanton Territorial Health Authority

Statement of Changes in Net Financial Debt

For the year ended March 31,	2016		2015
	(unaudited) Budget	Actual	Actual
Operating Surplus / (Deficit)	\$ (9,706,925)	\$ (2,440,819)	\$ (6,704,073)
Adjustments			
Decrease / (increase) in inventories held for use	-	(191,708)	(2,250)
Decrease / (increase) in prepaid expenses	-	135,872	(358,569)
(Increase) / decrease in net debt	(9,706,925)	(2,496,655)	(7,064,892)
Opening net financial resources	(24,691,820)	(24,691,820)	(17,626,928)
Closing net financial resources	\$ (34,398,745)	\$ (27,188,475)	\$ (24,691,820)

Stanton Territorial Health Authority

Statement of Cash Flows

For the year ended March 31,	2016	2015
Cash Provided By (Used In)		
Operating Transactions		
Operating Surplus / (Deficit)	\$ (2,440,819)	\$ (6,704,073)
Items not affecting cash:		
Changes in Non-cash Assets and Liabilities		
Decrease / (increase) in due to (from) the Government of Canada	38,821	112,554
Decrease / (increase) in accounts receivable	4,222,018	508,804
Decrease / (increase) in inventories for sale	(191,708)	(2,250)
Increase / (decrease) in accounts payable and accrued liabilities	580,297	125,269
Increase / (decrease) in payroll liabilities	(1,461,694)	6,020,546
Increase / (decrease) in deferred revenue	-	(2,975)
Increase / (decrease) in capital advances from GNWT	-	(193,582)
Increase / (decrease) in employee future benefits	171,677	324,706
Increase / (decrease) in prepaid expenses	135,872	(358,569)
Cash Provided by (Used for) Operating Transactions	1,054,464	(169,570)
Investing Transactions		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash Provided by (Used for) Investing Transactions	-	-
Capital Transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash Provided by (Used for) Capital Transactions	-	-
Financing Transactions		
Net proceeds from capital lease obligations	-	-
Other	-	-
Cash Provided by (Used for) Financing Transactions	-	-
Increase / (decrease) in cash and cash equivalents	1,054,464	(169,570)
Cash and cash equivalents, beginning of year	2,833,410	3,002,980
Cash and cash equivalents, end of year	\$ 3,887,874	\$ 2,833,410
Represented by:		
Cash	\$ 3,719,942	\$ 2,679,857
Special Purpose Funds	167,932	153,553
	\$ 3,887,874	\$ 2,833,410
Total interest paid during the year \$81,093 (2015 - \$88,732)		

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

1. Authority

The Stanton Territorial Health Authority (the "Authority") operates under the authority of the *Hospital Insurance and Health and Social Services Act* of the Northwest Territories. The Authority was established on April 1, 2002 to manage, control, and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. Basis of Presentation and 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 and by the directives 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:

(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 Authority 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 Authority are:

Operating Fund - reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Surplus 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.

Termination 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.

The Authority does not have sufficient funds to establish either of these reserves.

(d) 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 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 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 with an offsetting corresponding amount as a Grant-In-Kind revenue.

(e) Inventories 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, medical and surgical supplies, 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 Authority annually accrues estimated employee leave and termination benefits payable.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(g) Pension contributions

The Authority and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis.

The Authority 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.

(h) Revenue recognition

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

Billings processed through ICORE system by the medical centre's billing clerks are recognized as revenue upon submission of claim to the DHSS's Health Services Administration in Inuvik.

Other revenue is recognized when the service is performed or the goods are provided.

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

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

(i) Financial instruments

The 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, special purpose funds, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, and capital advances. 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.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authorities unless they are sold.

(k) Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards require 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. Actual results could differ from these estimates.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

3 Future Accounting Changes

a) Inter-entity transactions, Section PS 3420

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

b) Assets, Section PS 3210

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

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

c) Contingent Assets, Section PS 3320

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

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

d) Contractual Rights, Section PS 3380

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

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

e) 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. The impact of the transition to these accounting standards is being reviewed by management.

4 Cash

	2016	2015
Unrestricted cash	\$ 3,696,861	\$ 2,656,776

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

5 Special Purpose Funds

	2016	2015
Donations reserves		
Elks fund	\$ 14,804	\$ 18,089
Equipment fund	32,670	31,611
Other	97,377	80,772
Total donations reserves	144,851	130,472
Other reserves		
Capital asset advance	23,081	23,081
Total special purpose funds	\$ 167,932	\$ 153,553

6 Restricted Assets

NIL Report

7 Portfolio Investments

NIL Report

8 Accounts Receivable

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2016	Net 2015
GNWT	\$ 9,154,964	\$ (1,596,390)	\$ 7,558,574	\$ 11,339,567
GNU	1,833,160	(161,980)	1,671,180	1,793,075
WSCC - NWT	250,536	(63,678)	186,858	555,513
WSCC - other jurisdictions	242,920	(42,865)	200,055	24,056
Other receivables	7,380,976	(3,056,551)	4,324,425	4,450,899
Total accounts receivable	\$ 18,862,556	\$ (4,921,464)	\$ 13,941,092	\$ 18,163,110

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

9 Inventories Held for Use

	2016	2015
General	\$ 115,173	\$ 56,911
General plant	201,862	204,889
Laboratory	221,477	152,175
Medical/surgical	814,553	763,630
Pharmacy	557,386	541,138
Total inventories held for use	\$ 1,910,451	\$ 1,718,743

\$NIL of inventory was written off in 2015-2016

10 Accounts Payable and Accrued Liabilities

	2016	2015
Government of the Northwest Territories	\$ 2,091,910	\$ 592,504
Other	6,325,082	7,244,191
Total accounts payable and accrued liabilities	\$ 8,416,992	\$ 7,836,695

	2016	2015
Payroll Liabilities		
Due to the GNWT	\$ 30,411,845	\$ 31,873,539
Total payroll liabilities	\$ 30,411,845	\$ 31,873,539

11 Deferred Revenue

NIL Report

12 Contributions Repayable

NIL Report

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

13 Due to Government of Canada

	2016	2015
Due to Government of Canada	\$ 13,303	\$ 7,225

	2016	2015
Due from the Government of Canada	\$ 282,365	\$ 315,108

14 Capital Lease Obligations

NIL Report

15 Pension

NIL Report

16 Employee Future Benefits

Under the conditions of employment, employees qualify for annual leave of varying hours depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the employment of the Authority.

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

	2016	2015
Removal	\$ 1,498,292	\$ 1,496,820
Termination, severance, resignation, retirement	2,357,680	2,211,960
Leave *	2,578,613	2,554,128
	6,434,585	6,262,908
Less: Current portion included in current portion	2,578,613	2,554,128
Long term portion	\$ 3,855,972	\$ 3,708,780

* Leave

- includes annual, lieu, statutory holidays, and mandatory leave.
- includes leave banks as well as leave accruals and leave payouts due.
- is considered to be a short term liability for the purpose of distinguishing Employee Future Benefits into short and long term categories.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

17 Trust Assets and Liabilities

The trust assets represents cash being held in trust for patients.

	2016	2015
Patient cash in trust	\$ 5,142	\$ 14,205
Total trust assets and liabilities	\$ 5,142	\$ 14,205

18 Tangible Capital Assets

NIL Report

19 Prepaid Expenses

	2016	2015
Insurance	\$ 137,352	\$ 232,261
Equipment and software	111,845	194,777
Maintenance	120,446	116,800
Other	134,893	96,570
Total prepaid expenses	\$ 504,536	\$ 640,408

20 Accumulated Surplus / (Deficit)

	2016	2015
Restricted		
Donations reserve	\$ 144,851	\$ 130,736
Unrestricted		
Unfunded leave and termination benefits	(6,434,585)	(6,262,908)
Operating surplus / (deficit)	(18,483,754)	(16,200,497)
	\$ (24,773,488)	\$ (22,332,669)

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

21 Capital Advances from GNWT

	2016	2015
Opening balance	\$ 23,081	\$ 216,663
Additions	-	-
Disbursements	-	(193,582)
Closing balance	\$ 23,081	\$ 23,081

The Authority received advances from the DHSS for purchase of tangible capital assets for the Authority and other health authorities in the Northwest Territories. This amount represents the unexpended balance.

22 GNWT Assets Provided at No Cost

	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
Buildings	\$ 49,711,427	\$ 31,353,560	\$ 18,357,867	\$ 19,072,946
Mainframe and software systems	910,561	910,561	-	-
Medical equipment	15,105,641	8,823,399	6,282,242	5,846,650
Furniture and fixtures	218,604	218,604	-	-
	\$ 65,946,233	\$ 41,306,124	\$ 24,640,109	\$ 24,919,596

Rent expense for 2016 is \$2,301,864 (2015: \$2,405,173) with an offsetting grant-in-kind)

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

23 Contractual Obligation

The Authority has commitments for building and apartment leases, and service agreements that will require payment in future years. The minimum annual payments for these commitments are as follows:

	Expires in Fiscal Year	2017	2018 and Thereafter	Total
Commercial and residential leases	2018 \$	236,727	\$ 13,563	\$ 250,290
Service contracts	2025	24,679,587	123,540,810	148,220,397
		\$ 24,916,314	\$ 123,554,373	\$ 148,470,687

24 Contingent Liabilities

In the normal course of business, the Authority is subject to claims and pending and threatened litigation against the Authority and its staff. The Authority is defending actions brought against it and the Authority has recorded an allowance for any claim or litigation where it is likely that there will be a future payment and a reasonable estimate of the loss can be made. The allowance is based upon estimates determined by the Authority's legal experts experience or case law in similar circumstances.

25 Prior Year Funding Received

The Authority received prior year funding during the year. The funding is reported on the Statement of Operations and then reversed out of the operating deficit in order to arrive at the annual deficit.

	2016	2015
Restricted physician funding	\$ 382,620	\$ 370,187

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

26 Budget Information

Budget figures were those approved by the Authority's board of directors or Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

27 Economic Dependence

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

28 Subsequent Events

On April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tli Cho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence, after August 1, 2016, the Authority will no longer exist as a separate legal entity.

29 Comparative Amounts

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

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

30 Related Party Transactions

The Authority is related in terms of common ownership to all GNWT created departments, agencies, and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided 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 and internal audit services by the Department of Finance and compensation services provided by Department of Human Resources.

Due from related parties (net of allowance):

	2016	2015
GNWT - DHSS	\$ 2,000,510	\$ 4,530,331
GNWT - Health Service Administration - THIS	2,084,634	3,020,231
GNWT - Health Service Administration - NIHB	3,474,136	3,783,501
GNWT - Health Service Administration - EHB	(707)	5,504
Beaufort-Delta Health and Social Services Authority	50,553	51,091
Dehcho Health and Social Services Authority	20,043	6,180
Fort Smith Health and Social Services Authority	25,982	20,323
Hay River Health and Social Services Authority	55,137	69,326
Sahtu Health and Social Services Authority	138,522	128,204
Yellowknife Health and Social Services Authority	190,720	221,606
Stanton Territorial Hospital Foundation	216,411	115,574
Tlicho Community Services Agency	137,138	(26)
	8,393,079	11,951,845

Due to related parties:

	2016	2015
GNWT - DHSS	\$ 2,077,489	\$ 592,504
Beaufort-Delta Health and Social Services Authority	2,479	18,003
Yellowknife Health and Social Services Authority	11,942	35,307
GNWT - Shared Services	30,411,845	31,873,539
	\$ 32,503,755	\$ 32,519,353

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.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

31 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:

(i) 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, 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 \$300,000.

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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$13,941,092 (2015 - \$18,163,110).

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 Authority in the event of a default. The Authority does have concentration risk. At March 31, 2016, receivables from one customer comprised 47% of the total outstanding accounts receivables (2015 - 57%). The Authority reduces this risk by monitoring overdue balances.

The Authority also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

(ii) 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. All of the Authority's financial assets and financial liabilities at March 31, 2016 mature within the next six months. Total financial assets are \$18,116,473 (2015 - \$21,325,833) and financial liabilities are \$38,870,363 (2015 - \$39,754,745). The authority has disclosed future financial liabilities and commitments in Note 23.

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.

Stanton Territorial Health Authority

Notes to Financial Statements

March 31, 2016

32 Expenses by Object

For the year ended March 31	2016 (Unaudited) Budget	2016 Actual	2015 Actual
Operations and Maintenance			
Advertising and promotion	\$ 93,050	\$ 69,498	\$ 73,264
Communications	298,045	290,058	289,445
Compensation and benefits	79,352,257	76,692,985	75,557,433
Contracted and general services	4,787,027	4,710,861	4,651,767
Diagnostic and therapeutic supplies	956,895	1,136,291	989,779
Doubtful accounts	-	783,506	(110,779)
Drugs and vaccines	2,567,186	2,376,621	2,379,085
Education	954,940	624,528	684,111
Equipment maintenance	1,261,975	1,379,775	1,100,722
General supplies	759,441	731,500	718,875
Insurance	293,149	114,540	63,386
Interest and bank charges	24,500	28,188	22,170
Maintenance and biomedical supplies	354,500	279,867	376,530
Medical and surgical supplies	3,424,927	3,595,793	3,450,931
Medical gases	98,000	101,941	96,807
Medical travel	36,551,450	36,612,621	32,799,105
Minor capital	391,170	642,807	771,910
Non-capital renovations	105,000	135,911	113,473
Office and administrative supplies	523,228	409,083	532,182
Postage and freight	172,200	190,483	168,447
Professional services	240,700	142,499	626,428
Rental / leases	540,940	520,657	470,329
Travel	2,256,334	1,875,378	1,960,675
Utilities	5,000	1,732	9,975
Total Expenses	\$136,011,914	\$133,447,123	\$127,796,050

Stanton Territorial Health Authority

Schedule of Contributions from the GNWT

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core contribution			
Authority administration	\$ 2,022,000	\$ 2,022,000	\$ 1,500,000
Client support services	2,461,000	2,461,000	2,413,000
Diagnostic services	9,376,000	9,698,000	9,183,000
Emergency services	3,174,000	3,174,000	3,102,000
Facility maintenance & support	8,030,000	8,030,000	7,780,000
Finance	955,000	955,000	961,000
Human resources	486,000	486,000	559,000
Intensive care nursing	1,593,000	1,593,000	1,551,000
Long-term care nursing	1,735,000	1,735,000	1,690,000
Medical & surgical nursing	6,188,000	6,188,000	6,055,000
Medical travel	23,103,000	23,103,000	20,395,000
Mental health and additions nursing	1,699,000	1,699,000	1,688,000
Obstetric & pediatric nursing	4,267,000	4,267,000	4,173,000
Operating room nursing	3,165,000	3,165,000	3,093,000
Pharmacy	1,911,000	1,911,000	1,873,000
Speciality clinics	19,221,000	19,221,000	18,042,000
Systems support	2,051,000	1,924,494	1,313,000
Therapeutic services	3,279,000	3,279,000	3,215,000
	94,716,000	94,911,494	88,586,000
Other contributions			
Allocation from capital advance	-	-	193,582
Breast cancer risk factor brochure	-	-	3,000
Chief clinical advisor	391,000	388,432	388,492
Deputy Chief Public Health Officer	390,888	377,599	397,790
EMR ergotron equipment	-	-	17,753
Foot care training program	-	-	11,732
French language services	278,200	171,824	110,642
Healthy children, families, and communities	160,000	180,000	157,146
Implementation specialist for EMR	-	-	66,249
MNE graduate nurse placement	-	-	468,653
Total Department of Health and Social Services	95,936,088	96,029,349	90,401,039
GNWT - Human Resources			
Relevant experience program	-	63,600	62,633
Total contributions from the GNWT	\$ 95,936,088	\$ 96,092,949	\$ 90,463,672

Stanton Territorial Health Authority**SCHEDULE A-1****Schedule of Detailed Contribution Funding and Expenditure
Deputy Chief Public Health Officer (HSS01-000000-2435)**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ 390,888	\$ 377,599	\$ 397,790
Expenditures			
Compensation	389,172	362,113	416,867
Sundry	1,716	1,656	530
	390,888	363,769	417,397
	\$ -	\$ 13,830	\$ (19,607)

See payroll scope limitation in the Independent Auditors' Report.

Stanton Territorial Health Authority**SCHEDULE A-2****Schedule of Detailed Contribution Funding and Expenditure
Chief Clinical Advisor (HSS01-000000-2744)**

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Government of the Northwest Territories			
Department of Health and Social Services	\$ 391,000	\$ 388,432	\$ 388,492
Expenditures			
Compensation	391,000	388,432	388,492
	\$ -	\$ -	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Stanton Territorial Health Authority

Schedule of Recoveries

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Recoveries from the GNWT Department of Health			
Other	\$ 12,176,975	\$ 15,140,755	\$ 12,557,677
	12,176,975	15,140,755	12,557,677
Recoveries from Related Parties			
Other	1,049,432	1,500,441	1,060,442
Sahtu Health and Social Services Authority	236,083	241,067	203,037
Yellowknife Health and Social Services Authority	33,128	37,869	22,639
	1,318,643	1,779,377	1,286,118
Recoveries directly from Third Parties			
Federal government	204,000	437,210	228,866
NIHB	9,545,000	9,367,334	9,444,825
Nunavut service recoveries	2,244,320	2,246,091	2,083,101
Other	3,614,663	4,375,048	3,017,663
UNW	168,159	195,336	190,254
WSCC	927,000	795,949	1,181,965
	16,703,142	17,416,968	16,146,674
Total recoveries	\$ 30,198,760	\$ 34,337,100	\$ 29,990,469

Stanton Territorial Health Authority

Schedule of Other Contributions

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Other contributions from Related Parties			
Yellowknife Health and Social Services Authority			
DI clerk - YK primary care clinic	\$ 45,258	\$ 45,258	\$ 43,860
French language program	-	-	57,570
Northern options for women	49,883	49,883	48,420
	95,141	95,141	149,850
Other Contributions from Third Parties	-	-	-
Total Other Contributions	\$ 95,141	\$ 95,141	\$ 149,850

Stanton Territorial Health Authority

Schedule of Other Income

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	Actual
Other Income from related parties	\$ -	\$ -	\$ -	-
Other Income from Third Parties				
Donations	-	17,401	28,715	28,715
Total Other Income	\$ -	\$ 17,401	\$ 28,715	28,715

Stanton Territorial Health Authority

Schedule of Expenses

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Compensation and Benefits			
GNWT			
Compensation and benefits	\$ -	\$ -	\$ -
Related Parties			
Compensation and benefits	-	-	-
Third Parties			
Compensation and benefits	79,352,257	76,692,985	75,557,433
Total compensation and benefits	79,352,257	76,692,985	75,557,433
Grants expenses			
GNWT			
Grants expenses	-	-	-
Related Parties			
Grants expenses	-	-	-
Third Parties			
Grants expenses	-	-	-
Total grants expenses	-	-	-
Contributions expenses			
GNWT			
Contributions expenses	-	-	-
Related Parties			
Contributions expenses	-	-	-
Third Parties			
Contributions expenses	-	-	-
Total contributions expenses	-	-	-
Other expenses			
GNWT			
Other expenses	-	-	-
Related parties			
Other expenses	-	-	-
Third parties			
Other expenses	56,659,657	56,754,138	52,238,617
Total other expenses	56,659,657	56,754,138	52,238,617
Total expenses	\$136,011,914	\$133,447,123	\$127,796,050

Stanton Territorial Health Authority

Schedule of Reserves

For the Year Ended March 31, 2016

	Surplus / Deficit Reserve		Leave and Termination Benefits Reserve		Special Projects Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ -	\$ -	\$ -	\$ -	\$ 130,736	\$ 132,665	\$ 130,736	\$ 132,665
Additions / reductions to/from reserves	-	-	-	-	14,115	(1,929)	14,115	(1,929)
Transfers between reserves	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Balance, end of the year	\$ -	\$ -	\$ -	\$ -	\$ 144,851	\$ 130,736	\$ 144,851	\$ 130,736

Yellowknife Health and Social Services Authority

Financial Statements

March 31, 2016

Yellowknife Health and Social Services Authority

Financial Statements

March 31, 2016

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**To the Minister of Health and Social Services
Government of the Northwest Territories**

**Management's Responsibility for Financial Reporting
For the Year Ended March 31, 2016**

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

Management hereby asserts that adequate internal controls exist to ensure that transactions are complete, accurate and timely, appropriately authorized and include only valid transactions of the entity; that duties related to processes are appropriately segregated, that assets are safeguarded and that proper records are maintained. Controls further include quality standards regarding the hiring and training of employees, that ensure the adequate maintenance of written policies and procedural manuals and that further provide for appropriate accountability for performance within well-defined areas of responsibility. The operations and administration of the Authority have been conducted within the statutory powers of the Authority. The operations and administration of the Authority as well as the supporting internal controls of the Authority 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, PSAS, FAM, Human Resources Manual, Ministerial Directives and the policies of the Authority. Any non-compliance has been specifically identified and has been communicated to the Minister and Deputy Minister.

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

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

Approved and Confirmed on behalf of Yellowknife Health and Social Services Authority

A handwritten signature in black ink, appearing to read "Les Harrison".

Les Harrison, BSW, MSW, MBA
Chief Executive Officer
Yellowknife Health and Social Services Authority

June 27, 2016



Management Discussion & Analysis for the Year ended March 31, 2016

Introduction

Established in April 1997, the Yellowknife Health and Social Services Authority (YHSSA) provides community-based health and social services programs to 20,000+ residents of Dettah, Fort Resolution, Lutsel K'e, Ndilo and Yellowknife. For a view of the impact of our programs on the clients and families we serve, please refer to our Annual Report, which can be found on our website, www.yhssa.hss.gov.nt.ca

At YHSSA, we believe every person has the right to be cared for in a manner that maintains and enhances and respects their dignity and individuality. Our services and facilities are safe and allow clients participation in decisions affecting their care while respecting the confidentiality of their personal information. To achieve this, we employ caring and skilled staff that work as a team while striving to use our resources as effectively and efficiently as possible and monitoring our activities to ensure we meet high standards of care.

YHSSA is committed to excellence and to continually improve our service to meet our vision of healthy people, healthy families and healthy communities. Our mission is working with people to optimize well-being through the provision of collaborative and culturally appropriate health and social services. We know the health and social services we deliver are critical for the health and wellbeing of the public, and in providing these services we must maintain the public's confidence at all times.

Our value statements are based on the following 4 pillars:

Collaboration: We work together as a team with clients to support their needs, to help them improve and maintain their health and wellness.

Accountability: We take responsibility for our actions and attitudes. We are committed to providing the best and safest care to our clients, to reporting our results to the public, to listening and responding to feedback from our clients, staff, and partners.

Integrity: We are ethical and honest in our service delivery to clients, and in our relationships with staff and all partners. We deliver services to our clients in a fair and consistent way.

Respect: We treat each person with dignity, and respect the culture and diversity of each individual. We value our clients' right to make informed choices for themselves and their right to privacy.

Our Board is comprised of public representatives appointed by the Minister of Health and Social Services. There are five representatives from Yellowknife (Elizabeth Wyman-Board Chair, Yacub Adam-Vice Chair, Greg Littlefair, Karen Hamre and Carol A. Robinson), one representative from Ndilo and Dettah (Shirley Tsetta), one representative from Fort Resolution (Brandie Miersch) and one representative from Lutsel K'e (Emily Saunders).

Board members are appointed for a three year term and extensions can be granted by the Minister of Health and Social Services to a maximum of three terms. The Board Chair (Elizabeth Wyman) is appointed by the Minister of Health and Social Services.

YHSSA's Senior Management's Team is comprised of Les Harrison-CEO, Elske Canam-A/Director of Social Programs, Jo-Anne Hubert-Director of Primary Care, Dr. Sarah Cook-Medical Director Family Medicine, Leanne Towgood-Director of Community Health, Eddie Vlasblom-Director of Finance and Administration and Erin Beaton-Manager of Quality and Risk Assurance.

2015-16 Key Financial Highlights

YHSSA has a dedicated workforce of approximately 190 employees along with 31 physicians that deliver our programs and services. YHSSA relies on community based partners to deliver programs and services to support our clients through a number of partnership agreements.

YHSSA's faces a number of significant unfunded cost pressures that are challenging to control including but not limited to the Physician funding model and unfunded Physician leave coverage and maternity Leave, which regularly exceeds \$500K on a yearly basis. YHSSA also contracted the NWT Disabilities Council to operate the Safe Harbour Day Shelter to meet the needs of the at risk homeless population in Yellowknife however, an annual funding shortfall of \$150K is absorbed by YHSSA's core funding envelope.

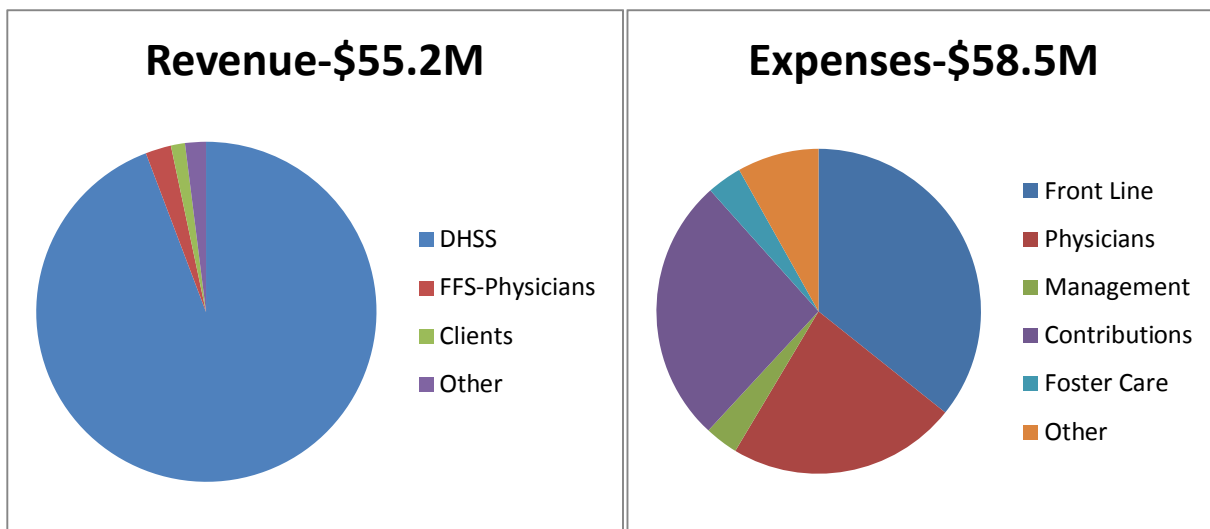
In order to deliver appropriate and safe care in our Community Clinics and Health Centres, YHSSA must provide additional clinic and health care staffing, resulting in unfunded costs of approximately \$500K.

YHSSA continues to improve Mental Health Services in Yellowknife and the NWT and has incurred a deficit of \$500K in order to meet essential client/patient needs throughout the region. In addition, the program audit of the Child and Family Services program by the Office of the Auditor General of Canada (OAG) raised significant quality issues for which YHSSA took a number of steps to ensure we could effectively respond to them. These improvements have led to additional on-going unfunded obligations for our Authority in hiring additional human resources which costs YHSSA \$300K on a yearly basis.

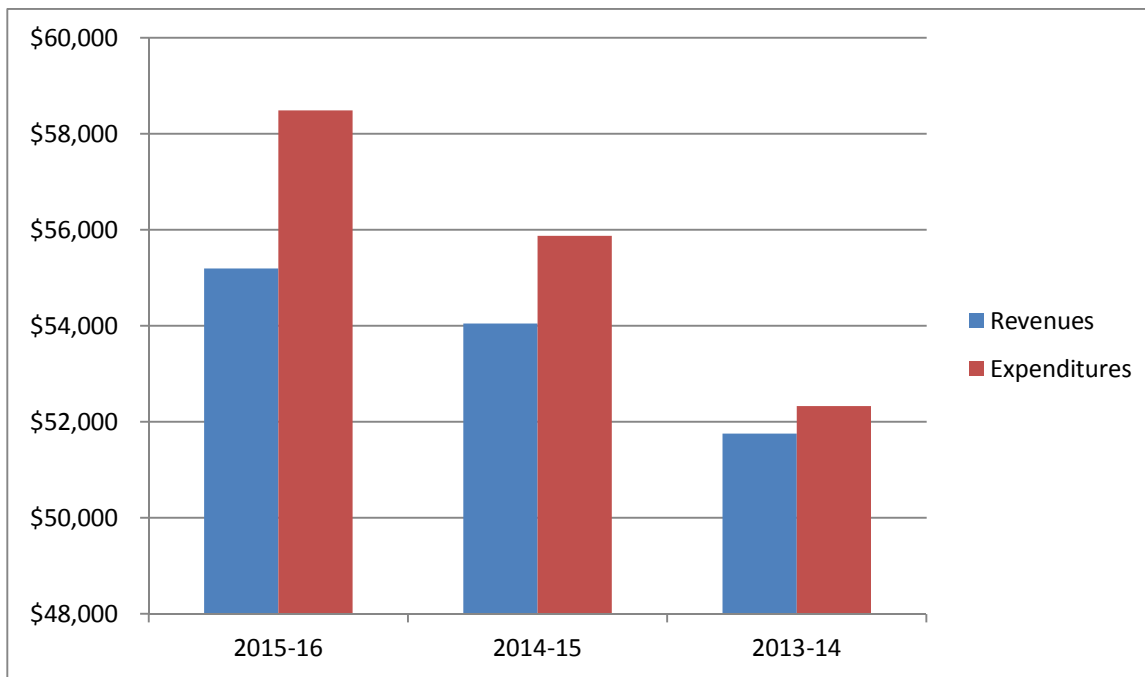
Quality and risk management is a critical planning area for all Health and Social Services delivery systems. In 2008, YHSSA made a strategic decision to improve care to our clients and patients, through the establishment of a Quality Management Program, and in 2012, YHSSA formally began planning for accreditation. YHSSAs completed the Accreditation Primer successfully in 2015-16. Over the past few years our QRM unfunded investments of \$620K have improved our capacity to create healthy and safe work environments, promote and support the delivery of safe, high quality health care and social services and protect clients, staff, organization and all stakeholders from undue harm.

YHSSA has also implemented a Records Management Program, which has resulted in the establishment of policies and procedures for the classification, management and disposition of client and administrative records. With approximately 30,000 primary care records alone, and given the changing population, it has been critical for YHSSA to resource an appropriate records management program. While unfunded, this program costs an estimated \$350K to ensure the appropriate and safe management of client information.

YHSSA's fiscal challenges are reflected as part of the results for the fiscal year ending March 31st, 2016.



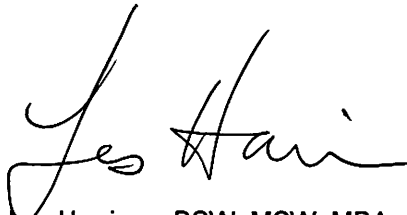
Year over year key Financial highlights for the last 3 fiscal years are highlighted below



As of March 31, 2016, YHSSA incurred an operating deficit of \$3.4M which will increase the net accumulated operating deficit to approximately \$8M. All of the eight Health and Social Services Authorities also incur annual operating deficits with an accumulated deficit as of March 31, 2016 projected to be in excess of \$55M.

YHSSA was designated as the lead in implementing Electronic Medical Records (EMR), across the Territories. EMR is an electronic version of a paper chart that contains patient's medical history and primary care information. This initiative enables increased quality of care, patient safety and improves health outcomes by transforming the way information is captured, integrated and shared between clinical providers. Implementation thus far has been very successful with many of the benefits in patient care being realized.

Effective August 1st, 2016 YHSSA will cease to exist in its current state and the Board of Trustees will no longer be its governing body. As of that date, the new Territorial Health and Social Services Authority will begin its operations and focus on improving health and social services and delivering healthcare across the GNWT. This initiative is anticipated to provide greater capacity across the system, to improve client/patient care to provide consistent services across the NWT, and to ensure an effective and efficient system for the future for all communities.

A handwritten signature in black ink, appearing to read "Les Harrison". The signature is fluid and cursive, with the first name "Les" and last name "Harrison" clearly distinguishable.

Les Harrison, BSW, MSW, MBA
Chief Executive Officer
Yellowknife Health and Social Services Authority

June 27, 2016

Independent Auditors' Report

To the Minister of Health and Social Services Government of the Northwest Territories

We have audited the accompanying financial statements of the Yellowknife Health and Social Services Authority as at March 31, 2016, which comprise the statement of operations and the statements of financial position, changes in net financial debt, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the revenues and expenditures for all programs funded through contribution agreements with the Department of Health and Social Services which total \$250,000 or more as listed on Schedule A.

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. Management is also responsible for the preparation of the schedule of 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 accordance with the financial guidelines of the Department of Health and Social Services.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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 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

Salaries and related benefits paid to employees of the Authority 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 were 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 deficit as well as note disclosures associated with transactions and year-end balances relating to compensation and benefits.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material aspects, the financial position of the Yellowknife Health and Social Services Authority as at March 31, 2016, and its financial operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, applied on a basis consistent with the preceding year. Furthermore, except for the limitation relating to payroll as described above, Schedule A presents 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 for the year ended March 31, 2016, in accordance with the financial guidelines of the Department of Health and Social Services.

Report on Other Legal and Regulatory Requirements

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

Yellowknife, Northwest Territories
June 27, 2016

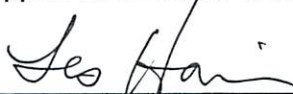
Crowe MacKay LLP
Chartered Accountants

Yellowknife Health and Social Services Authority

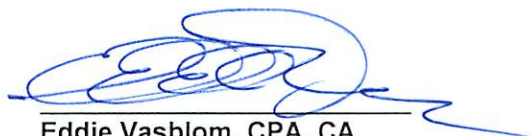
Statement of Financial Position

As at March 31,	2016	2015
Financial Assets		
Cash (Note 4)	\$ 1,491,264	\$ 1,732,661
Special Purpose Funds (Note 5)	140,341	140,190
Accounts Receivable (Note 8)	1,297,817	1,962,438
	2,929,422	3,835,289
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	1,562,853	1,529,348
Payroll Liabilities (Note 10)	7,343,544	5,469,838
Deferred Revenue (Note 11)	21,508	21,508
Contributions Repayable (Note 12)	-	56,893
Employee Future Benefits (Note 16)	2,638,202	2,294,942
	11,566,107	9,372,529
Net Financial Assets (Debt)	(8,636,685)	(5,537,240)
Non-Financial Assets		
Prepaid Expenses (Note 19)	407,650	697,584
	407,650	697,584
Accumulated Surplus / (Deficit) (Note 20)	\$ (8,229,035)	\$ (4,839,656)
Contractual Obligations (Note 23)		
Contingent Liabilities (Note 24)		

Approved on behalf of the Authority



Les Harrison, BSW, MSW, MBA
Chief Executive Officer



Eddie Vasblom, CPA, CA
Chief Financial Officer

Yellowknife Health and Social Services Authority

Statement of Operations

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Revenue			
Contributions from GNWT (Schedule A)	\$ 50,159,254	\$ 50,568,991	\$ 48,883,345
Contributions from other sources (Schedule C)	750,000	767,996	749,996
Interest income	70,000	51,426	72,277
Other income (Schedule D)	-	350	11,933
Recoveries (Schedule B)	2,815,500	3,703,723	3,980,449
Recoveries from prior years' expenses	-	69,546	361,000
	53,794,754	55,162,032	54,059,000
Expenses			
Administration and support services	4,371,480	5,617,197	4,792,216
Nursing inpatient services	-	-	-
Ambulatory care services	17,510,544	18,943,112	18,156,111
Regional health	8,273,475	9,871,162	8,697,196
Regional social services	23,639,255	24,119,940	24,232,465
Total expenses (Schedule E)	53,794,754	58,551,411	55,877,988
Operating Surplus / (Deficit)	-	(3,389,379)	(1,818,988)
Prior Year Funding Received	-	(69,546)	(361,000)
Operating Surplus / (Deficit) Before Prior Year Funding	-	(3,458,925)	(2,179,988)
Unfunded Items			
Change in employee leave and termination benefits (Note 16)	-	343,260	(142,314)
Annual Surplus / (Deficit) Before The Following	-	(3,115,665)	(2,322,302)
Rent expense - GNWT assets provided at no cost	-	(348,300)	(446,617)
Grant-in-kind - GNWT assets provided at no cost	-	348,300	446,617
Annual Surplus / (Deficit)	-	(3,115,665)	(2,322,302)
Opening Accumulated Surplus / (Deficit)	-	(4,839,656)	(3,020,668)
Closing Accumulated Surplus / (Deficit) (Note 20)	\$ -	\$ (8,229,035)	\$ (4,839,656)

Yellowknife Health and Social Services Authority

Statement of Changes in Net Financial Debt

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Operating Surplus / (Deficit)	\$ -	\$ (3,389,379)	\$ (1,818,988)
Adjustments			
Decrease / (increase) in prepaid expenses	-	289,934	(225,914)
(Increase) / decrease in net debt	-	(3,099,445)	(2,044,902)
Opening net financial resources	(5,537,240)	(5,537,240)	(3,492,338)
Closing net financial resources	\$ (5,537,240)	\$ (8,636,685)	\$ (5,537,240)

Yellowknife Health and Social Services Authority

Statement of Cash Flows

For the year ended March 31,	2016	2015
Cash Provided By (Used In)		
Operating Transactions		
Operating Surplus / (Deficit)	\$ (3,389,379)	\$ (1,818,988)
Items not affecting cash:		
Changes in Non-cash Assets and Liabilities		
Decrease / (increase) in accounts receivable	664,621	356,096
Increase / (decrease) in accounts payable and accrued liabilities	33,505	(194,300)
Increase / (decrease) in payroll liabilities	1,873,706	2,675,575
Increase / (decrease) in deferred revenue	-	(11,632)
Increase / (decrease) in employee future benefits	343,260	(142,314)
Increase / (decrease) in contributions repayable	(56,893)	-
Increase / (decrease) in prepaid expenses	289,934	(225,914)
Cash Provided by (Used for) Operating Transactions	(241,246)	638,523
Investing Transactions		
Disposition of portfolio investments	-	-
Acquisition of portfolio investments	-	-
Cash Provided by (Used for) Investing Transactions	-	-
Capital Transactions		
Acquisition of tangible capital assets	-	-
Proceeds of disposition of tangible capital assets	-	-
Cash Provided by (Used for) Capital Transactions	-	-
Financing Transactions		
Net proceeds from capital lease obligations	-	-
Other	-	-
Cash Provided by (Used for) Financing Transactions	-	-
Increase / (decrease) in cash and cash equivalents	(241,246)	638,523
Cash and cash equivalents, beginning of year	1,872,851	1,234,328
Cash and cash equivalents, end of year	\$ 1,631,605	\$ 1,872,851
Represented by:		
Cash	\$ 1,491,264	\$ 1,732,661
Special Purpose Funds	140,341	140,190
	\$ 1,631,605	\$ 1,872,851

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

1. Authority

The Yellowknife Health and Social Services Authority (the "Authority") operates under the authority of the *Hospital Insurance and Health and Social Services Act* of the Northwest Territories. The Authority was established on April 1, 1997 to manage, control, and operate the public health facilities and services assigned to it by the Northwest Territories Department of Health and Social Services.

The Authority is a public body performing a function of government in Canada. 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.

2. Basis of Presentation and 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 and by the directives 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:

(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 Authority 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 Authority are:

Operating Fund - reflecting activities associated with the Authority'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 Authority under conditions specified by donors and other providers.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Surplus 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.

Termination 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.

Physician Reserve - the funds received in advance for physician liability.

The Authority does not have sufficient funds to establish either of these reserves.

(d) 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 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 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 with an offsetting corresponding amount as a Grant-In-Kind revenue.

(e) Inventories 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 Authority annually accrues estimated employee leave and termination benefits payable.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(g) Pension contributions

The Authority and its employees make contributions to the Public Service Superannuation Plan administered by the Government of Canada. These contributions represent the total liability of the Authority and are recognized in the accounts on a current basis.

The Authority and its contracted physicians make contributions to a physician directed investment fund administered by MD Management. These contributions represent the total pension liability of the Authority and are recognized in the accounts on a current basis.

(h) Revenue recognition

The Authority is primarily funded by the GNWT in accordance with budget arrangements established by the DHSS. Under the arrangements, 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.

Billings processed through ICORE system by the medical centre's billing clerks are recognized as revenue upon submission of claim to the DHSS's Health Services Administration in Inuvik.

Other revenue is recognized when the service is performed or the goods are provided.

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

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

(i) Financial instruments

The 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, special purpose funds, accounts receivable, accounts payable and accrued liabilities, payroll liabilities, and capital advances. 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.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

2. Basis of Presentation and Significant Accounting Policies (continued)

(j) Non-financial assets

Non-financial assets are accounted for as assets by the 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 Authority unless they are sold.

(k) Measurement uncertainty

The preparation of these financial statements in conformity with Canadian public sector accounting standards require 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. Actual results could differ from these estimates.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

3 Future Accounting Changes

a) Inter-entity transactions, Section PS 3420

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

b) Assets, Section PS 3210

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

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

c) Contingent Assets, Section PS 3320

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

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

d) Contractual Rights, Section PS 3380

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

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

e) 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. The impact of the transition to these accounting standards is being reviewed by management.

4 Cash

	2016	2015
Unrestricted Cash	\$ 1,429,421	\$ 1,670,818
Total cash	\$ 1,491,264	\$ 1,732,661

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

5 Special Purpose Funds

	2016	2015
Internal restricted reserves		
Donations reserve	\$ 51,478	\$ 51,327
Physician reserve	27,020	27,020
<hr/>		
Total internal restricted reserves	78,498	78,347
<hr/>		
Other restricted reserves		
Termination benefits reserve	61,843	61,843
<hr/>		
Total special purpose funds	\$ 140,341	\$ 140,190

6 Restricted Assets

NIL Report

7 Portfolio Investments

NIL Report

8 Accounts Receivable

	Accounts Receivable	Allow. For Doubtful Accounts	Net 2016	Net 2015
GNWT	\$ 517,487	\$ -	\$ 517,487	\$ 689,160
GNU	157,421	-	157,421	505,774
WSCC - NWT	130,124	-	130,124	7,354
Other	510,607	(82,257)	428,350	626,012
Beaufort-Delta Health and Social Services Authority	18,778	-	18,778	9,329
Fort Smith Health and Social Services Authority	-	-	-	4,780
Hay River Health and Social Services Authority	17,164	-	17,164	54,287
NWT Housing Corporation	1,338	-	1,338	4,463
Stanton Territorial Health Authority	13,695	-	13,695	39,076
Tli Cho Community Services Agency	13,460	-	13,460	22,203
<hr/>				
Total accounts receivable	\$ 1,380,074	\$ (82,257)	\$ 1,297,817	\$ 1,962,438

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

9 Inventories Held for Use

NIL Report

10 Accounts Payable and Accrued Liabilities

	2016	2015
Government of the Northwest Territories	\$ 373,088	\$ 149,709
WSCC	3,780	-
Aurora College	-	600
Beaufort-Delta Health and Social Services Authority	4,422	-
Hay River Health and Social Services Authority	552	-
Stanton Territorial Health Authority	134,916	239,200
Northwest Territories Power Corporation	1,649	484
Other	1,044,446	1,139,355
Total accounts payable and accrued liabilities	\$ 1,562,853	\$ 1,529,348

	2016	2015
Payroll Liabilities		
Due to the GNWT	\$ 7,343,544	\$ 5,469,838
Total payroll liabilities	\$ 7,343,544	\$ 5,469,838

11 Deferred Revenue

	2016	2015
Department of Health and Social Services		
Professional development initiative	\$ 21,508	\$ 21,508

12 Contributions Repayable

	2016	2015
GNWT	\$ -	\$ 52,238
City of Yellowknife	-	4,655
Total	\$ -	\$ 56,893

13 Due to Government of Canada

NIL Report

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

14 Capital Lease Obligations

NIL Report

15 Pension

Nil Report

16 Employee Future Benefits

Under the conditions of employment, employees qualify for annual leave of varying hours depending on length of service. 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. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the employment of the Authority.

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

	2016	2015
Removal	\$ 803,602	\$ 770,028
Termination, severance, resignation, retirement	501,099	465,456
Leave *	1,333,501	1,059,458
	2,638,202	2,294,942
Less: Portion included in current portion	1,558,351	1,228,778
Long term portion	\$ 1,079,851	\$ 1,066,164

* Leave

- includes annual, lieu, statutory holidays, and mandatory leave.
- includes leave banks as well as leave accruals and leave payouts due.
- is considered to be a short term liability for the purpose of distinguishing employee leave and termination benefits into short and long term categories.

17 Trust Assets and Liabilities

NIL Report

18 Tangible Capital Assets

NIL Report

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

19 Prepaid Expenses

	2016	2015
Equipment and software	\$ 255,691	\$ 449,598
Maintenance	151,959	247,986
Total prepaid expenses	\$ 407,650	\$ 697,584

20 Accumulated Surplus / (Deficit)

	2016	2015
Restricted		
Donations reserve	\$ 51,477	\$ 51,327
Severance reserve	61,843	61,843
Physician reserve	27,020	27,020
Unrestricted		
Unfunded leave and termination benefits	(2,576,359)	(2,233,099)
Operating surplus / (deficit)	(5,793,016)	(2,746,747)
Total	\$ (8,229,035)	\$ (4,839,656)

21 Capital Advances from GNWT

NIL Report

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

22 GNWT Assets Provided at No Cost

	Cost	2016 Accumulated amortization	Net book value	2015 Net book value
Buildings	\$ 4,446,307	\$ 3,714,196	\$ 732,111	\$ 819,069
Leasehold improvements	6,535,844	2,781,517	3,754,327	4,015,670
	\$ 10,982,151	\$ 6,495,713	\$ 4,486,438	\$ 4,834,739

Rent expense for 2016 is \$348,300 (2015: \$446,617) with an offsetting grant-in-kind

23 Contractual Obligation

The Authority has commitments for building and apartment leases, and service agreements that will require payment in future years. The minimum annual payments for these commitments are as follows:

	Expires in Fiscal Year	2017	2018 and Thereafter	Total
Commercial and residential leases	2019	\$ 198,919	\$ 122,001	\$ 320,920
Equipment leases	2019	51,134	131,482	182,616
		\$ 250,053	\$ 253,483	\$ 503,536

24 Contingent Liabilities

In the normal course of operations, the Authority is subject to claims and litigation. As of March 31, 2016, there were no outstanding claims against the Authority.

Also, 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. The Authority did not have any environmental liabilities during the year.

25 Prior Year Funding Received

The Authority received prior year funding during the year. The funding is reported in Schedule A and then reversed out of the operating deficit in order to arrive at the annual deficit.

	2016	2015
Restricted physician funding	\$ 69,546	\$ 361,000

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

26 Budget Information

Budget figures were those approved by the Authority's board of directors or Public Administrator and DHSS. The budget figures are not audited and are intended for information purposes only.

27 Economic Dependence

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

28 Subsequent Events

On April 1, 2016 new legislation came into effect giving the Minister of Health and Social Services the authority to create a Territorial Health and Social Services Authority (THSSA). The Minister of HSS has announced that the effective date for the THSSA to commence operations is August 1, 2016. When the THSSA is created, six of the eight current Health and Social Authorities (HSSAs) become part of the THSSA and will no longer be separate legal authorities. Hay River Health and Social Services Authority (HRHSSA) and Tlicho Community Services Agency (TCSA) will remain outside the THSSA; however, the legislation does include provisions to bring the HRHSSA into the THSSA at a later date. The THSSA will serve as a single integrated delivery system for NWT health and social service programs while recognizing that the TCSA retains a unique role through the provisions of the Tli Cho Agreement. Through the Chief Executive Officer, the THSSA will report to and take direction from the Chair of Health and Social Services Leadership Council that will be comprised of persons appointed in accordance with legislation. As a consequence, after August 1, 2016, the Authority will no longer exist as a separate legal entity.

29 Comparative Amounts

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

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

30 Related Party Transactions

The Authority is related in terms of common ownership to all GNWT created departments, agencies, and corporations. The Authority enters into transactions with these entities in the normal course of business. The Authority is provided 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 and internal audit services by the Department of Finance and compensation services provided by Department of Human Resources.

Due from related parties (net of allowance):

	2016	2015
GNWT - DHSS	\$ 132,020	\$ 573,745
GNWT - Financial Shared Services	385,467	105,454
Beaufort-Delta Health and Social Services Authority	18,778	9,329
Fort Smith Health and Social Services Authority	-	4,780
Hay River Health and Social Services Authority	17,164	54,287
Stanton Territorial Health Authority	13,695	39,076
Tlicho Community Services Agency	13,460	22,203
NWT Housing Corporation	1,338	4,463
	581,922	813,337

Due to related parties:

	2016	2015
GNWT - DHSS	\$ 267,161	\$ 65,663
GNWT - Department of Public Works and Services	1,319	204
GNWT - Petroleum Products Division	286	590
GNWT - Financial Management Board Secretariat	101,322	83,252
GNWT - Department of Education, Culture, and Employment	3,000	-
Beaufort-Delta Health and Social Services Authority	4,422	-
Hay River Health and Social Services Authority	552	-
Stanton Territorial Health Authority	134,916	239,200
Aurora College	-	600
NWT Power Corporation	1,649	484
Payroll Liabilities - GNWT - HR (Note 10)	7,343,544	5,469,838
Deferred Revenue - GNWT - DHSS (Note 11)	21,508	21,508
Contributions Repayable - GNWT - DHSS (Note 12)	-	52,238
	\$ 7,879,679	\$ 5,933,577

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.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

31 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:

(i) 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 and accounts receivable.

The Authority holds its cash, special purpose funds 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 \$300,000.

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 Authority's maximum exposure to credit risk is represented by the financial assets for a total of \$1,297,817 (2015 - \$1,962,438).

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 Authority in the event of a default. The Authority does have concentration risk. At March 31, 2016, receivables from one customer comprised 37% of the total outstanding accounts receivables (2015 - 55%). The Authority reduces this risk by monitoring overdue balances.

The Authority also has concentration risk of credit risk as deposits are held in one Canadian chartered bank.

(ii) 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. All of the Authority's financial assets and financial liabilities at March 31, 2016 mature within the next six months. Total financial assets are \$2,929,422 (2015 - \$3,835,289) and financial liabilities are \$8,927,905 (2015 - \$7,077,587). The authority has disclosed future financial liabilities and commitments in Note 23.

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.

Yellowknife Health and Social Services Authority

Notes to Financial Statements

March 31, 2016

32 Expenses by Object

For the year ended March 31	2016 (Unaudited) Budget	2016 Actual	2015 Actual
Compensation and Benefits			
Purchased services - fee for service	\$ 853,500	\$ 992,049	\$ 975,406
Purchased services - locums	700,000	2,058,453	2,634,966
Purchased services - management and operations	80,000	13,998	28,098
Purchased services - unit producing	74,000	257,536	325,748
S&W - management and operations	2,039,373	1,992,246	2,099,813
S&W - physicians	10,950,587	10,326,182	9,419,568
S&W - unit producing	16,909,093	20,588,613	18,291,335
	31,606,553	36,229,077	33,774,934
Operations and Maintenance			
Advertising and promotion	70,850	72,206	76,747
Contracted and general services	5,073,461	5,021,637	4,947,350
Doubtful accounts	-	14,699	(10,915)
Drugs and vaccines	315,250	435,453	419,491
Education	460,046	434,908	324,076
Foster care	2,199,400	2,026,526	2,194,953
General supplies	671,592	782,351	761,939
Insurance	233,384	226,603	142,562
Maintenance and biomedical supplies	22,200	19,136	24,530
Medical and surgical supplies	201,160	235,401	208,995
Minor capital	312,500	579,386	372,455
Non-capital renovations	65,000	53,269	21,842
Professional services	183,933	167,224	182,603
Rental / leases	777,544	701,201	660,287
Travel	613,308	751,106	729,190
Utilities	31,700	48,066	33,396
Vehicle operations / maintenance	90,100	84,317	97,899
Contributions	10,866,773	10,668,845	10,915,654
	22,188,201	22,322,334	22,103,054
Total Expenses	\$ 53,794,754	\$ 58,551,411	\$ 55,877,988

Yellowknife Health and Social Services Authority

Schedule of Contributions from the GNWT

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Contributions from the GNWT			
Department of Health and Social Services			
Core contribution			
Adult support services	\$ 859,000	\$ 964,000	\$ -
Authority administration	1,565,000	1,565,000	2,540,000
Community clinics and health centres	4,713,000	4,713,000	4,594,000
Community Mental health and addictions	2,335,000	2,335,000	175,000
Community wellness programs	1,640,000	1,640,000	1,325,000
Equipment < \$50,000	-	-	45,000
Family violence	825,000	825,000	825,000
Finance	389,000	389,000	-
Foster care	6,738,000	6,738,000	3,195,000
Homecare & support services	2,154,000	2,154,000	2,079,000
Human resources	105,000	105,000	-
Intervention services	-	-	1,003,000
Physician services to NWT residents	-	-	13,892,000
Prevention and promotion	-	-	35,000
Residential care - alcohol and drug programs	10,611,000	10,611,000	850,000
Residential care - adults	14,162,000	14,284,000	10,466,000
Residential care - children	1,452,000	1,452,000	1,452,000
Social service delivery	-	-	4,855,000
Systems support	1,269,000	1,202,050	-
	48,817,000	48,977,050	47,331,000
Other contributions			
Unallocated	-	(10,000)	-
Applied suicide intervention skills training	9,486	9,736	2,122
Safe harbour day shelter	95,000	95,000	115,000
Electronic medical records	48,098	48,098	42,334
Enhanced homecare	925,909	925,909	898,941
Grad social worker program	-	-	50,000
Healthy family collective kitchen project	-	28,392	18,287
Mental health first aid training	13,761	6,882	17,879
Respite services	250,000	250,000	250,000
Chief medical information officer	-	105,316	-
Healing Funding	-	10,000	-
Total Department of Health and Social Services	50,159,254	50,446,383	48,725,563
Unallocated	-	10,000	-
GNWT Finance - French Language	-	68,188	71,898
GNWT HR - REP Funding	-	9,095	20,583
GNWT HR - PEP Funding	-	35,325	19,910
Other	-	-	45,391
Total contributions from the GNWT	\$ 50,159,254	\$ 50,568,991	\$ 48,883,345

Schedule of Detailed Contribution Funding and Expenditure
Project 33 - T'lichho Primary Physician Care

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Funding			
Contribution	\$ 718,000	\$ 717,996	\$ -
Expenditures			
Purchased services - Locum Physicians	678,000	678,000	-
Administration - Physicians to or from T'lichho	40,000	39,996	-
	718,000	717,996	-
Surplus	\$ -	\$ -	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Yellowknife Health and Social Services Authority

SCHEDULE A-2

**Schedule of Detailed Contribution Funding and Expenditure
Enhanced Home Care -3205-105**

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	
Funding				
DOH Contribution	\$ 925,909	\$ 925,909	\$	-
Expenditures				
Salaries and Benefits	831,387	831,387	-	-
Training	14,851	14,851	-	-
Groceries and Misc	26,111	26,111	-	-
Travel	20,000	20,000	-	-
Medical Surgical	33,560	33,560	-	-
	925,909	925,909	-	-
Surplus	\$ -	\$ -	\$	-

See payroll scope limitation in the Independent Auditors' Report.

Schedule of Detailed Contribution Funding and Expenditure
Respite Care (HSS01-000000-2435)

For the year ended March 31,	2016		2015
	(unaudited) Budget	Actual	Actual
Funding			
DOH Contribution	\$ 250,000	\$ 250,000	\$ 250,000
Expenditures			
YACL Respite - CSS, Early Interv, Respite Services	250,000	250,000	250,000
	\$ -	\$ -	\$ -

See payroll scope limitation in the Independent Auditors' Report.

Yellowknife Health and Social Services Authority

Schedule of Recoveries

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Recoveries from the GNWT			
Department of Health			
11012 Dental travel recoveries	\$ 40,000	\$ 50,933	\$ 40,893
11016 Fee for service	1,080,000	1,132,895	1,115,460
12200 DHSS	-	74,253	-
11064 Non residents reciprocal billing	695,000	732,482	769,502
11021 Admin fees	-	104,889	2,813
11018 Fort Smith HSSA - Genetic services	-	3,619	4,780
11018 Hay River HSSA - Anesthetic services	-	51,601	54,287
11018 T'l'icho Health Services Agency - Children in care	-	43,716	23,403
12100 Other	-	1,403	4,462
11018 Beaufort Delta HSSA - Children in care	-	37,237	9,329
11018 Ungava Tulahavik Health Centre	-	2,646	-
11018 Stanton THA - Clinical director	-	11,287	182,692
	1,815,000	2,246,961	2,207,621
	-	-	-
Recoveries directly from Third Parties			
11035 Revenue from Non Government entities	102,000	116,190	136,857
11050 WSCC	125,000	198,804	173,716
11070 Uninsured residents	-	34,379	28,929
11080 Insured residents self pay	-	(2,801)	4,211
11082 Non residents self pay	115,000	135,789	117,178
11602 Non-residents self pay	-	8,647	5,315
12010 Physician chargebacks	40,000	293,082	36,190
12031 Meals on wheels	2,500	2,900	1,080
12050 Drugs and vaccines	90,000	98,394	102,658
12060 Parking rentals	36,000	35,500	34,385
12070 Housing rental	35,000	49,335	36,213
12080 Other miscellaneous	15,000	(124,347)	623,068
12100 NWT Housing Corp	-	2,823	-
12220 Other recoveries	-	1,425	4,663
12320 Nunavut recoveries	440,000	586,280	466,884
12322 Compensation WSCC	-	20,362	1,481
	1,000,500	1,456,762	1,772,828
Total recoveries	\$ 2,815,500	\$ 3,703,723	\$ 3,980,449

Yellowknife Health and Social Services Authority
Schedule of Other Contributions

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Other contributions from Related Parties			
T'licho Health Services Agency	\$ 700,000	\$ 717,996	\$ 699,996
	-	-	-
Other contributions from Third Parties			
City of Yellowknife - Safe Harbour Day Shelter	50,000	50,000	50,000
Total Other Contributions	\$ 750,000	\$ 767,996	\$ 749,996

Yellowknife Health and Social Services Authority

Schedule of Other Income

For the year ended March 31,	2016		2015	
	(Unaudited) Budget	Actual	Actual	
Other Income from related parties				
Other	\$ -	\$ -	\$ -	-
Other Income from Third Parties				
11090 Other payment sources	-	200	-	-
14020 Bequests	-	150	-	300
17060 PDI Surplus	-	-	-	11,633
	-	350	-	11,933
Total Other Income	\$ -	\$ 350	\$ -	11,933

Yellowknife Health and Social Services Authority

Schedule of Expenses by Category

For the year ended March 31,	2016		2015
	(Unaudited) Budget	Actual	Actual
Compensation and Benefits			
GNWT			
Related Parties	\$ -	\$ -	\$ -
Third Parties	-	-	-
Compensation and benefits - third parties	31,606,553	36,229,077	33,774,934
Total compensation and benefits	31,606,553	36,229,077	33,774,934
Grants expenses			
GNWT			
Grants expenses - GNWT	-	-	-
Related Parties			
Grants expenses - related parties	-	-	-
Third Parties			
Grants expenses - third parties	-	-	-
Total grants expenses	-	-	-
Contributions expenses			
GNWT			
Contributions - GNWT	-	-	-
Related Parties			
Contributions - related parties	-	-	-
Third Parties			
Contributions - third parties	12,229,773	12,031,845	12,153,479
Total contributions expenses	12,229,773	12,031,845	12,153,479
Other expenses			
GNWT			
Other expenses - GNWT	-	-	-
Related parties			
Other expenses - related parties	-	-	-
Third parties			
Other expenses - third parties	9,958,428	10,290,489	9,949,575
Total other expenses	9,958,428	10,290,489	9,949,575
Total expenses	\$ 53,794,754	\$ 58,551,411	\$ 55,877,988

Yellowknife Health and Social Services Authority

Schedule of Reserves

For the Year Ended March 31, 2016

	Surplus / Deficit Reserve		Leave and Termination Benefits Reserve		Special Projects Reserve		Physician Reserve		Total Reserves	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Balance, beginning of the year	\$ -	\$ -	\$ 61,843	\$ 61,843	\$ 51,327	\$ 63,598	\$ 27,020	\$ -	\$ 140,190	\$ 125,441
Additions / reductions to/from reserves	-	-	-	-	151	(12,271)	-	27,020	151	14,749
Transfers between reserves	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Balance, end of the year	\$ -	\$ -	\$ 61,843	\$ 61,843	\$ 51,478	\$ 51,327	\$ 27,020	\$ 27,020	\$ 140,341	\$ 140,190