



*Labrador School Board*

*Annual Performance Report  
2009-10*

## CHAIRPERSON'S MESSAGE

September 30, 2010

Honourable Darin King  
Minister of Education

Dear Minister King:

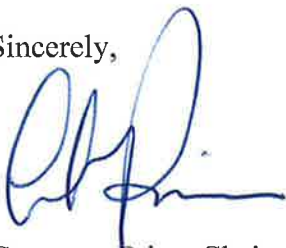
I am pleased to submit the Labrador School Board's Annual Report for 2009-10. This report has been prepared in accordance with our Board's requirements as a category one entity under the *Transparency and Accountability Act*.

This report covers the second year of our 2008-2011 Strategic Plan, which included three areas: Financial Deficit; Student Academic Achievement; and Improved Connections with Community/Strategic Partners.

I would like to recognize the contribution of our School Board Trustees and their commitment to improving the K-12 school system in our district. I would also like to thank the senior administration for providing strategic leadership that ensures the Labrador School Board is a professional learning organization focused on student learning and achievement.

My signature below is on behalf of the Board and is indicative of the Board's accountability for the actual results reported.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Goronwy Price', with a large, stylized initial 'G'.

Goronwy Price, Chairperson  
LABRADOR SCHOOL BOARD

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## **Labrador School Board Overview**

### Vision

The Labrador School Board is a learning organization which graduates all students from a safe and supportive environment enabling them to maximize their potential.

### Mission

By June 30, 2011 the Labrador School Board will have engaged teachers, support staff, parents/guardians and achieved a two percent improvement in results in English Language Arts, Mathematics and Science and a two percent improvement in graduation rates.

(For the complete mission statement including measures and indicators, please reference the Labrador School Board Strategic Plan 2008-11.)

### Mandate

As per the *Schools Act, 1997* the Labrador School Board is mandated to organize and administer primary, elementary and secondary education within the school district.

### Lines of Business

The Labrador School Board has two major lines of business.

### **Curriculum**

The Board provides provincially mandated Kinderstart and Kindergarten to Grade 12 school programs to students within its jurisdiction. The Board ensures that the prescribed Department of Education curriculum is available to all students. The Board sanctions programs/curricula that are designed to meet the specific needs of aboriginal students.

### **Related services**

The Board sanctions events which support the curriculum outcomes established by the Department of Education. Other related services include: services for students who are identified with exceptionalities; career counseling; personal counseling where qualified personnel exist; student transportation and, where resources permit, employee programs designed to support safe schools.

### Number of Employees

The Labrador School Board has more than 600 full and part-time employees, of which 285 are full-time teachers and another 60 are substitute teachers to varying degrees on an annual basis. The remaining employees are support staff including native education teachers, student assistants, secretaries, custodial staff, maintenance personnel, technicians, bus drivers and central office personnel, all of whom provide an important role in ensuring that teacher-student interactions in the learning process are maximized.

## Physical Location

The Labrador School Board is culturally and geographically diverse, it encompasses a land mass of approximately 280,000 km<sup>2</sup>; an area that is more than three times the size of the island portion of the province. The Board provides educational services to approximately 3477 students (September, 2009) in 15 schools which are located in three distinct regions:

- (1) Coastal Labrador – is comprised of eight schools in eight communities spanning from Nain in the north to Black Tickle in the south. These communities are small, isolated, and mostly aboriginal settlements with a total student population of 663;
- (2) Western Labrador - has three schools in two communities with a total student enrolment of 1423; and
- (3) Central Labrador - has five schools in four communities with a total student enrolment of 1391.

Of the eleven communities under the Board's jurisdiction, seven have a native/aboriginal designation and three others have a significant population of native people. As such, the vast majority of the province's First Nations children are educated by the Labrador School Board. In fact, nearly 40 percent of the District's students are of native ancestry.

## **Other Key Statistics**

### Student Population

It is important for the Board to monitor changes in the student population in order to make informed decisions with respect to educational resources and infrastructure. The Labrador School District continues to be challenged by a declining student population. The Annual General Return for September 2009 reported an enrolment of 3477 students. However, the district lost approximately 80 students during the period from September 30, 2009 to June 30, 2010.

A recent demographic trend is the movement of parents and students from coastal Labrador communities to larger urban centres in Labrador, specifically to Happy Valley-Goose Bay. While student populations in the North Coast communities continue to decline, the Upper Lake Melville region of the school district is also experiencing a slight decline in student population. The Labrador West region of our school district has remained relatively stable.

Please see Appendix A, Table One for a detailed breakdown of student population as of June 2010.

### Teacher Retention

The Labrador School Board has maintained roughly the same allocation of teaching staff for the 2009-10 school year as compared to the previous school year.

However, the Human Resources office did report fewer new hires this year for our coastal schools than in past years. In addition, the Human Resources office ran eighty-three advertisements as compared to one hundred and twenty advertisements in the previous school year.

## Revenues and Expenditures

Revenues and expenditures are presented as of June 2010.

Labrador School Board  
Annual Plan Report  
2009-10

<b>Revenue 2010</b>		<b>Expenditures 2010</b>	
(000's)		<u>(000's)</u>	
Provincial Government	39,939.3	Administration	1,911.20
Rental	221.5	Instruction	33,586.80
Interest	36.9	Operations and Maintenance	5,316.20
		Pupil	
Native Peoples'	2,333.5	Transportation	2,382.20
		Operation of Teacher	
Innu Education	106.6	Residences	213.70
ABE	111.2	Transfer to Capital Fund	0
Mining Company's	87.5	Interest expense	8
Francophone	88.0		
Grenfell	71.3		
Aboriginal education	<u>184.0</u>		
		Total	<u>                    </u>
Total Revenue	<u>43,179.8</u>	Expenditures*	<u>43,418.10</u>

\*Note- Amounts for the offset revenue for Teacher Severance, Teacher Summer Pay, and Executive Staff Paid Leave are not included above. However, these items are paid through the Department of Education.

The Board membership as of June 30, 2010 was comprised of the following trustees:

Goronwy Price	Board Chair
Glen Andrews	Vice-Chair
Heather Leriche	Treasurer
Patricia Loder	Secretary
Bernie Bolger	Lake Melville
Sam Mansfield	Lake Melville
Guy Elliott	Labrador West
Keith Watts	Lake Melville
Joan Goudie	Postville
Kenneth Lawlor	Labrador West
Jessie Bird-Pardy	Cartwright
Damian Power	Labrador West
April Martin	Makkovik
Vacant	Hopedale
Vacant	Nain

## Shared Commitments

### Collaboration with Stakeholders

The Labrador School Board collaborated with a number of stakeholders on local, provincial, and federal levels. The Board worked co-operatively with the Nunatsiavut Government and its respective agencies which include: Torngat Housing Authority; the Nunatsiavut's Department of Education; and other Nunatsiavut Government Agencies. During 2009-10, the Labrador School Board along with stakeholders worked toward achieving the strategic direction of government applicable to the board of "improved educational programs and environments respond to constantly evolving demographics."

Finally, the Board worked closely with officials at the Department of Education on all aspects of the delivery of the K-12 services provided to students, teachers, and stakeholders.

### **Core Values**

The core values explain the character of the organization promoted within the Labrador School District. The values were designed after the completion of our environmental scan. To ensure our core values are visible throughout the organization it was decided that the actions which needed to be enhanced can be described as follows:

- |                    |   |
|--------------------|---|
| <i>Balance</i>     | Each person identifies inequities, prioritizes by the greatest need, and identifies and plans for the utilization of available resources to meet all needs. |
| <i>Consistency</i> | Each person shall adhere to the constitution, by-laws and policies of the Board.  |
| <i>Reflection</i>  | Each person probes for clarity on issues of concern related to governance and operations, and offers options for consideration.                             |
| <i>Respect</i>     | Each person is given equal opportunity to voice his/her opinion in a supportive environment.  |
| <i>Teamwork</i>    | Each person ensures that he/she works collaboratively on common goals.  |



Students from Amos Comenius School, Hopedale

## Outcomes of Objectives and Goals

### Financial Deficit

The Labrador School Board has implemented strategies to reduce the deficit while continuing to operate in a fiscally responsible manner. While focusing on deficit reduction, the Board did not distract the organization from making strides to improve teaching and learning. Also, the maintenance of schools and the protection (safety and security) of students and personnel have been accomplished without negatively impacting the financial performance of the Board. During 2009-10, the Labrador School Board along with stakeholders worked toward achieving the strategic direction of government applicable to the board of “improved educational programs and environments respond to constantly evolving demographics”.

#### Goal One:

By June 30, 2011 the Labrador School Board’s accumulated deficit will be reduced by 21 percent to increase benefits for students.

**Measure:** Deficit reduction

#### Indicators:

- Improved debt equity ratio
- Improve working capital

#### Objective:

By June 30, 2010 the Labrador School Board has reduced its accumulated deficit by 14 percent from base year 2008.

**Measure:** Deficit reduced by 14 percent

#### Indicator:

- Sustained deficit reduction achieved in 2008-09

Sustained deficit reduction achieved in 2008-09

**The Labrador School Board is pleased to report that it has eliminated its accumulated deficit as of June 30, 2010.** As such, the board has already exceeded its goal of reducing the accumulated deficit by 21 percent. The efficiencies were achieved through administrative practices and not through cuts to program spending, or repairs and maintenance for school facilities.

This goal was achieved through prudent fiscal management practices, which included: realized savings being applied to the deficit; efficiencies realized in air travel costs for employee travel to attend professional development sessions; and the use of modern technologies, SmartBoards and software programs such as Illuminate Live, to reduce the cost to attend district-level meetings and inservices. Other reduction strategies included reduced travel costs by piggy backing conferences/meetings to



eliminate additional airfare, changing the delivery of programs to incorporate the use of video conferencing and partnering with other agencies where possible. Finally, the additional funding provided by government to staff secretarial positions in previous years has also helped to reduce the accumulated deficit. All of these measures have enabled the Labrador School Board to achieve its goal and eliminate the accumulated deficit.

In summary, the Labrador School Board's objective for 2009-10 of a 14 percent reduction from base year 2008 has been surpassed and the Board has in fact eliminated its accumulated deficit.

**Year Three Objective:**

By June 30, 2011 the Labrador School Board has reduced its accumulated deficit by 21 percent from base year 2008.

**Measure:** Deficit reduced by 21 percent

**Indicator:**

- Sustained deficit elimination achieved in 2009-10



B.L. Morrison School, Postville

## Student Academic Achievement

Student achievement is a key outcome of the Board's mandated responsibility to implement the provincial K-12 education program. The Board recognized and identified student academic achievement as one of its strategic issues. The Labrador School Board's goal for 2008-2011 is to increase student academic achievement by two percent in Mathematics, Science and English Language Arts. During 2009-10, the Labrador School Board along with stakeholders worked toward achieving the strategic direction of government applicable to the board of "improved educational programs and environments respond to constantly evolving demographics."

### Goal Two:

By June 30, 2011, the Labrador School Board will have improved student achievement by two percent in Mathematics, Science and English Language Arts.

**Measure:** Improved student achievement

### Indicators:

- Increased graduation rates
- Increased number of students graduating at higher levels
- Improved achievement in Mathematics, English Language Arts and Science as measured through CRTs and public exams

### Objective:

By June 30, 2010 the Labrador School Board will have initiated the implementation in priority areas of student achievement.

**Measures:** Initiated process implementation in priority areas of student achievement

### Indicators:

- Enhanced inservice of teachers in selected areas as identified by analysis of data in Mathematics, English Language Arts, and Science
- Implemented enhanced guidance services model
- Implemented enhanced service delivery in light of declining enrolment
- Enhanced intervention services

### Enhanced inservice of teachers in selected areas as identified by analysis of data in Mathematics, English Language Arts, and Science

Teacher inservice was enhanced through a process of data analysis and a focused Professional Learning model, a two-tiered approach to supporting teacher needs for Professional Learning. The following actions took place during 2009-10:

- School based requests for Professional Learning had to be directly related to the school development plan which was data based.

- Professional Learning for teachers by district staff was based upon a model that prioritized teachers in the order of new, new curriculum, and teachers and schools experiencing difficulty. This model specified minimal contact times.
- Issues of geography and isolation in providing Professional Learning opportunities were minimized by the setting up of Virtual Learning Centers and the use of the technology by district staff in providing inservice.
- K-12 Mathematics teachers received 1756 hours of inservice.
- K-12 English Language Arts teachers received 1100 hours of inservice.
- K-12 Social Studies teachers received 123 hours of inservice.
- K-12 Science teachers received 230 hours of inservice.
- The use of marking boards in English Language Arts – grade 4 and 7 continue to provide focused inservice.

### Implemented enhanced guidance services model

The lack of guidance counselors in the coastal schools has been minimized by the hiring of two itinerant guidance counselors and the strengthening of the partnerships with the post-secondary education officer with Nunatsiavut Government and the Provincial Career Development Liaison Officer. During the 2009-10 school year, the Labrador School Board implemented an enhanced model for the delivery of guidance services. The following focus has been given to the delivery of guidance services:

- A greater co-ordination of service between the Educational Assessment Officer's role and the guidance role.
- A more co-ordinated approach between health and education in dealing with student issues.
- A prioritization of communities based upon population and need.
- Career planning to include an opportunities application process and greater parental involvement.
- Virtual counselling in times of need.

### Implemented enhanced service delivery in light of declining enrolment

Enhanced service delivery was implemented in 2009-10 in select areas with demonstrated need. The following actions took place during the reporting period:

- The Centre for Distance Learning and Innovation continued to be promoted and monitored as a means of enhancing program offerings in light of declining enrolment.
- During 2009-10, work with the Nova Central School District continued on a multi-age handbook for teachers. This handbook, once completed, will be a beneficial resource to teachers facing smaller enrolment in classes.
- The common planning component of Professional Learning Communities provided an inter-school model to increase communication for teachers teaching in isolation, where declining enrolment is more predominant.

### Enhanced intervention services

Resources are allocated for intervention services based upon data analysis to identify particular needs. The entire school system, from individual teachers to district office staff, is responsible for the delivery of these services. The following enhancements were made in 2009-10:

- All schools implemented a Professional Learning model that incorporates a focused intervention strategy where needs have been identified.
- The Academic Indicators Process focuses the responsibility on the school administrators for ensuring needs have been identified and interventions implemented. Implementing this process ensured that students in need received the supports they required during the year in order to position them for success.
- The District implemented the Professional Learning support model which prioritized need and specified the type and amount of follow-up necessary.
- The use of virtual technology and communication tools were increased to minimize the issues associated with geography and isolation.

### **Year Three Objective:**

By June 30, 2011 the Labrador School Board will have implemented key strategies to address major challenges to student achievement.

**Measures:** Implemented key strategies

### **Indicators:**

- Implemented key strategies in priority areas



Inosivut – “On the land program”

## **Improved Connections with Community/Strategic Partners**

During 2009-10, the Labrador School Board provided educational services to eleven distinct communities located in western, central and coastal Labrador. Labrador's population is culturally diverse. The Board recognizes this diversity, and where possible, diversity is reflected in the programming it provides to students.

The Labrador School Board continued to improve community connections with key partners and stakeholders. Consequently, the Board was better informed to address the programming needs of students.

The Board along with stakeholders worked toward achieving the strategic direction of government applicable to the board of "improved educational programs and environments respond to constantly evolving demographics."

The following details the Labrador School Board's progress toward meeting the following goal:

### **Goal Three:**

By June 30, 2011 the Labrador School Board will have enhanced program delivery through connections with the community and strategic partners.

**Measure:** Enhanced program delivery

### **Indicators:**

- Improved response to community needs
- Increased attention to the value and respect of cultural diversity

### **Objective:**

By June 30, 2010 the Labrador School Board will have further implemented program enhancement options.

**Measure:** Enhancement options further implemented

### **Indicator:**

- Enhanced and implemented partnership opportunities between the Labrador School Board and key stakeholders

Enhanced and implemented partnership opportunities between the Labrador School Board and key stakeholders

No new partnerships were enhanced or implemented during 2009-10. However, the Labrador School Board continued its work with existing partners. New partnership opportunities and enhancements will

continue to be explored as they are identified. Work with current partners and stakeholders continued in the following areas:

- *Human Resources, Labour and Employment*

The Labrador School Board continued to partner with the Department of Human Resources, Labour and Employment with respect to the Career Development Partnership Initiative by maintaining its close relationship with the Regional Career Information Resource Officer. Monthly meetings were again held locally and provincially in 2009-10. The main focus of the program remains to help students.

- *International Grenfell Association*

The Labrador School Board’s long-standing partnership with the International Grenfell Association continues to allow the board to access funding to enhance school and district programming. Funding in 2009-10 was used as follows:

Labrador School Board

Olweus Bullying Program	\$16,000
Becoming Literate in an Information Rich Society	\$28,000
Math Focus on Morning Routines	\$11,100
Focusing a Learning Community Through Exploratories	\$7300
Extending Math Knowledge Through Parent Friendly Math Bags	\$8000

St. Peter’s School, Black Tickle

Student Intervention Program	\$19,250
School Fitness Project	\$1200

Peacock Primary, Goose Bay

Buddy ASK, Behaviour, and Skill Development	\$2000
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Jens Haven School, Nain

Elementary and Special Needs Library	\$5000
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Henry Gordon Academy, Cartwright

Co-curricular Sports Program	\$4800
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J.C. Erhardt Memorial School, Makkovik

\$3000

Queen of Peace Middle School, Goose Bay

\$5000

**Total** **\$110,650**

The total of the grants for program enhancement to the Board is \$110,650.

In addition to the International Grenfell Association grants for enhancing school and district programs, it also offers a bursary/scholarship program for high school students within the region.

The bursary program is available to students based on financial need while the scholarship program is based on scholastic achievement. The partnership with the International Grenfell Association has provided many students the opportunity to pursue post-secondary options.

- *Kids Eat Smart Foundation*

The Labrador School Board continued to partner with the Kids Eat Smart Foundation in 2009-10.

- *Local Recreation Authorities-Coastal Labrador*

The Labrador School Board's partnership with local recreation authorities in each north coast community continued in 2009-10. In accordance with government's Community Use of Schools Policy, user groups are granted access to school gymnasiums in Rigolet, Postville, Makkovik, Hopedale and Nain. The local recreation authorities in each coastal community organized events throughout the year to meet the needs of the respective community.

**Year Three Objective:**

By June 30, 2011 the Labrador School Board will have enhanced program delivery for students in the Labrador School District.

**Measure:** Enhanced program delivery

**Indicator:**

- Implemented select programs
- Increased attention to the value and respect of cultural diversity



Mud Lake School

## **Highlights and Accomplishments**

Some highlights and accomplishments during the 2009-10 school year include:

### Early Academic Indicators/Remediation Process

The early academic indicators process is a means for teachers and school administrators to analyze data for the benefit of improving student academic achievement. While introduced in 2008, it was during 2009-10 that the Board fully implemented an Early Academic Indicators/Remediation Process to collect and analyze student academic achievement at key reporting stages in the school year.

Achievement data was collected from all schools for the purpose of identifying potential trends and patterns in student academic performance. Through a collaborative process, student achievement data was analyzed at the following reporting periods: November, February and April.

The collection of achievement data enables district office staff and school administrators to better monitor performance and provide opportunity for timely interventions to occur throughout the school year. The process includes:

- identification of areas of concern;
- development and implementation of remediation strategies; and
- evaluation of the remediation strategies in terms of success for the next reporting period.

### Professional Learning Communities Initiative Update

During the 2009-10 school year, the Labrador School Board continued to implement its Professional Learning Communities (PLCs) initiative. As 2009-10 represented year one of the implementation plan, school administrators engaged staff in professional dialogue around collaborative lesson planning, common assessments, analysis of achievement data and the identification of best teaching practices. The Labrador School Board will continue with its implementation of the Professional Learning Communities initiative in September 2010.



## Opportunities and Challenges Ahead

### Teacher Housing

Thanks to the financial support from the Department of Education, the Labrador School Board built a three bedroom mini-home in the community of Cartwright. As part of its teacher recruitment and retention initiative, the Board recognized the need to supply housing for teachers in coastal communities. Without such housing, the Board would be challenged to hire teachers who will stay in rural communities. The Board would like to thank government for their continuing support and providing the necessary funding to construct a teacher housing unit in Cartwright.

The Labrador School Board continued to work with the Department of Education during the 2009-10 school year to explore and ascertain a viable solution to address the teacher housing situation in coastal Labrador communities.

### Teacher Recruitment

Teacher recruitment for specialty areas such as guidance services, special education, music and school leadership continues to be a challenge in isolated coastal communities. The Board continues to work collaboratively with the Department of Education to explore creative opportunities to recruit qualified teachers for coastal Labrador communities.



St. Peter's School, Black Tickle

## Appendix A

Table 1—Student Population as of June 2010

CHANGE IN STUDENT POPULATION																			
School	K	Gd. 1	Gd. 2	Gd. 3	Gd. 4	Gd. 5	Gd. 6	Gd. 7	Gd. 8	Gd. 9	L. I	L. II	L. III	L. IV	Total Sept. 2009	Total Sept. 2008	Change (*)	Total June 2010	Change Sept. 09 - June 10
JHMS	19	18	19	14	26	16	16	20	23	15	31	13	11	4	255	268	-13	238	-17
MINS																233	-233		
ACMS	11	9	8	11	11	13	7	13	6	12	19	13	3	3	139	146	-7	131	-8
BLMS	3	1	3	5	1	6	5	6	1	3	5	6	4		49	50	-1	40	-9
JCEMS	4	4	4	0	6	4	10	5	6	2	5	10	7		67	72	-5	68	+1
NLA	7	6	2	3	3	7	2	2	1	3	4	1	2	4	47	44	+3	41	-6
HGA	2	4	4	4	6	7	5	1	5	10	12	10	9	1	80	85	-5	83	+3
SPS	1	1		4	1	5	2	1	3	1		2	4	1	26	33	-7	28	+2
LMS	8	12	4	10	6	6	9	7	9	11	6	5	5	2	100	110	-10	99	-1
MLS	1							1	1						3	4	-1	3	
PMKS																363	-363		
PPS	93	78	93	81											345	323	+22	347	+2
QPMS					93	109	108	97							407	423	-16	404	-3
MMC									102	97	109	104	110	14	536	546	-10	508	-28
APLPS	95	103	96	96											390	402	-12	395	+5
JRSMS					91	112	119	123							445	487	-42	446	+1
MHS									110	114	126	122	103	13	588	599	-11	566	-22
<b>Totals</b>	<b>244</b>	<b>236</b>	<b>233</b>	<b>228</b>	<b>244</b>	<b>285</b>	<b>283</b>	<b>276</b>	<b>267</b>	<b>268</b>	<b>317</b>	<b>286</b>	<b>258</b>	<b>52</b>	<b>3477</b>	<b>4188</b>	<b>-711</b>	<b>3397</b>	<b>-80</b>

(\* Effective September 2009, the two Innu Schools {Mushuau Innu Natuashish and Peenamin McKenzie }were no longer administered by the Labrador School Board

Notes for Table 1

JHMS - Jens Haven Memorial School, Nain  
MINS - Mushuau Innu Natuashish School, Natuashish  
ACMS - Amos Comenius Memorial School  
BLMS - B. L. Morrison School  
JCEMS - J.C. Erhardt Memorial School, Makkovik  
NLA - Northern Lights Academy, Rigolet  
HGA - Henry Gordon Academy, Cartwright  
SPS - St. Peter's School, Black Tickle  
LMS - Lake Melville School, North West River

MLS - Mud Lake School, Mud Lake  
PMKS - Peenamin McKenzie School, Sheshatshiu  
PPS - Peacock Primary School, Happy Valley-Goose Bay  
QPMS - Queen of Peace Middle School, Happy Valley-Goose Bay  
MMC - Mealy Mountain Collegiate, Happy Valley-Goose Bay  
APL - A.P. Low School, Labrador City  
JRSMS - J.R. Smallwood Middle School, Wabush  
MHS - Menihok High School, Labrador City

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**LABRADOR SCHOOL BOARD**

AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

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## AUDITORS' REPORT

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To the directors of the Labrador School Board

We have audited the balance sheet of the current and capital funds of the Labrador School Board as at June 30, 2010 and the statements of current revenues, expenditures and board deficiency and changes in the capital fund for the year then ended. These financial statements are the responsibility of the Board's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 14 describes the accounting policy with respect to the board's capital assets. The note also indicates that the board is not amortizing its tangible capital assets, which is required in accordance with Public Sector Accounting Board standards, on the grounds that complete information to implement this change in policy for the year ended June 30, 2010 was not available at the date of these financial statements. In this respect the financial statements are not in accordance with Canadian generally accepted accounting principles.

In our opinion, except for the effects of the failure to record amortization as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

St. John's, Newfoundland and Labrador  
September 30, 2010

  
CHARTERED ACCOUNTANTS

**LABRADOR SCHOOL BOARD  
BALANCE SHEET  
AS AT JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
<b><u>ASSETS</u></b>		
Current		
Cash (Supplementary Information 1)	2,708,171	243,613
Short-term investments (Supplementary Information 1)	510,218	3,617,944
Accounts receivable (Note 4)	4,975,559	5,082,781
Prepaid expenses (Supplementary Information 2)	<u>59,516</u>	<u>52,552</u>
	<u>8,253,464</u>	<u>8,996,890</u>
Capital assets (Schedule 8)	<u>45,629,739</u>	<u>44,630,690</u>
	<u>53,883,203</u>	<u>53,627,580</u>
<b><u>LIABILITIES</u></b>		
Current		
Bank indebtedness (Note 5)	-	-
Accounts payable and accrued liabilities (Note 6)	6,664,982	7,226,568
Current maturities (Schedule 9B)	<u>163,500</u>	<u>163,500</u>
	<u>6,828,482</u>	<u>7,390,068</u>
Long-term debt (Schedule 9)	<u>464,742</u>	<u>639,659</u>
Accrued support staff severance	<u>890,145</u>	<u>850,319</u>
Accrued teacher severance	<u>5,935,453</u>	<u>5,725,965</u>
Accrued executive staff paid leave (Note 8)	<u>183,068</u>	<u>138,227</u>
	<u>14,301,890</u>	<u>14,744,238</u>
Contingent liabilities (Note 13)		
<b><u>BOARD EQUITY</u></b>		
Investment in capital assets (Note 9)	45,639,061	44,640,012
Board deficiency (Note 10)	(6,118,520)	(5,880,342)
Restricted fund - Labrador West School Committee (Note 7)	<u>60,772</u>	<u>123,672</u>
	<u>39,581,313</u>	<u>38,883,342</u>
	<u>53,883,203</u>	<u>53,627,580</u>

Signed on behalf of the Board:

Director

Director

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**STATEMENT OF CURRENT REVENUES, EXPENDITURES AND BOARD DEFICIENCY**  
**YEAR ENDED JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
Current Revenues (Schedule 1)		
Local taxation	-	-
Provincial Government and other grants	39,496,579	42,156,714
Donations	-	-
Ancillary services	221,540	221,276
Miscellaneous	3,461,671	5,784,276
	<u>43,179,790</u>	<u>48,162,266</u>
Current Expenditures		
Administration (Schedule 2)	1,866,363	1,806,134
Instruction (Schedule 3)	33,911,746	38,118,770
Operations and maintenance (Schedule 4)	5,316,188	5,569,955
Pupil transportation (Schedule 5)	2,382,172	2,650,117
Ancillary services (Schedule 6)	213,675	209,119
Interest (Schedule 9C)	7,953	7,743
Miscellaneous (Schedule 7)	-	-
	<u>43,698,097</u>	<u>48,361,838</u>
Deficiency of revenues over expenditures before transfer to capital fund, teacher severance and teacher summer pay	(518,307)	(199,572)
Transfer to Capital Fund	<u>-</u>	<u>(52,039)</u>
Net decrease in board equity from operations	(518,307)	(251,611)
Teacher severance	(209,488)	(220,114)
Teacher summer pay	534,458	384,102
Executive staff paid leave	(44,841)	-
Net decrease in board equity	<u>(238,178)</u>	<u>(87,623)</u>
Board deficiency, beginning of year (Note 10)	(5,880,342)	(5,705,493)
Adjustments (Note 10)	<u>-</u>	<u>(87,226)</u>
Board deficiency, end of year (Note 10)	<u>(6,118,520)</u>	<u>(5,880,342)</u>
Board equity (deficiency) exclusive of teacher severance, teacher summer pay and executive staff paid leave for year:		
Board deficiency per above	(6,118,520)	(5,880,342)
Add: Accrued teacher severance	5,935,453	5,725,965
Add: Summer pay - teachers (Note 6)	3,432,320	3,877,688
Add: Executive staff paid leave	183,068	138,227
Revised board equity	<u>3,432,321</u>	<u>3,861,538</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**STATEMENT OF CHANGES IN CAPITAL FUND**  
**YEAR ENDED JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
70 Capital Receipt		
71 Proceeds from bank loans		
014 School construction	-	-
012 Equipment	-	-
013 Service vehicles	-	-
014 Pupil transportation	-	-
015 Other - energy performance contracting	-	-
	<u>-</u>	<u>-</u>
72 EIC Grants		
011 School construction and equipment	-	-
013 Other	-	-
	<u>-</u>	<u>-</u>
73 Donations		
011 Cash receipts	-	-
012 Non-cash receipts	-	-
013 Restricted use	-	-
	<u>-</u>	<u>-</u>
74 Sale of Capital Assets Proceeds		
011 Land	-	-
012 Buildings	-	6,128
013 Equipment	-	-
014 Service vehicles	-	-
015 Pupil transportation vehicles	-	-
016 Other	-	-
	<u>-</u>	<u>-</u>
75 Other Capital Revenues		
011 Interest on capital fund investments	-	-
012 Premiums on debentures	-	-
013 Recoveries of expenditures	1,242,950	1,253,023
015 Insurance proceeds	-	-
017 Miscellaneous	-	-
	<u>-</u>	<u>1,253,023</u>
Total Capital Receipts		
77 Transfer from reserve account	-	-
78 Transfer to/from current fund	-	52,039
	<u>-</u>	<u>52,039</u>
Total	<u>1,242,950</u>	<u>1,305,062</u>

.../Continued

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**



**LABRADOR SCHOOL BOARD**  
**STATEMENT OF CHANGES IN CAPITAL FUND**  
 YEAR ENDED JUNE 30, 2010

	<u>2010</u>	<u>2009</u>
	\$	\$
80 Capital Disbursements		
81 Additions to Capital Assets		
011 Land and sites	208,441	-
012 Building	1,034,509	1,182,460
013 Furniture and equipment - school	-	-
014 Furniture and equipment - other	-	-
015 Services Vehicles	-	122,602
016 Pupil transportation	-	-
017 Other	-	-
	<u>1,242,950</u>	<u>1,305,062</u>
82 Principal Repayment of Loans		
011 School construction	-	-
012 Equipment	-	-
013 Services vehicles	-	-
014 Other - teachers' residences	-	-
	<u>-</u>	<u>-</u>
83 Miscellaneous Disbursements		
013 Other	-	-
	<u>-</u>	<u>-</u>
Total Capital Disbursements	<u>1,242,950</u>	<u>1,305,062</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**CURRENT REVENUES**  
 YEAR ENDED JUNE 30, 2009

		<u>2009</u>	<u>2008</u>
		\$	\$
<b>Current Revenues</b>			
31	010 Local Taxation		
	011 School taxes	-	-
32	010 Provincial Government and Other Grants		
	011 Regular operating grants	7,029,401	7,061,015
	011 Maintenance operating grant	807,590	509,200
	012 Special grants (details on bottom Schedule 1)	2,982,086	5,426,262
	013 Payroll tax	-	-
	Salaries and benefits		
	017 Directors and assistant directors	639,831	585,256
	021 Regular teachers	26,883,336	30,023,194
	021 Student assistants	636,591	711,739
	022 Substitute teachers	1,117,657	1,047,627
	030 Pupil Transportation		
	031 Board owned	2,382,173	2,218,683
	032 Contracted	-	-
	033 Special needs	-	-
	034 Other	442,651	297,674
33	010 Donations		
	012 Cash receipts	-	-
	013 Non-cash receipts	-	-
	014 Restricted use	-	-
34	010 Ancillary Services		
	011 Revenue from rental of residences	221,540	221,276
	015 Interest	36,934	60,340
	021 Revenues from rental of schools and facilities (net)	-	-
	022 Internally generated funds	-	-
	031 Cafeterias	-	-
	032 Other	-	-
		<u>43,179,790</u>	<u>48,162,266</u>
<b>Special Grants</b>			
	Fiscal Finance Agreement	2,333,468	2,324,564
	Adult Basic Education	111,177	132,697
	Natuashish grant	11,285	566,321
	Sheshatshiu grant	95,325	1,436,261
	Mining company	87,500	525,000
	Francophone	66,030	48,000
	French immersion	22,023	-
	Grenfell	71,278	112,488
	Aboriginal education and initiatives	184,000	280,931
		<u>2,982,086</u>	<u>5,426,262</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
ADMINISTRATION EXPENDITURES  
YEAR ENDED JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
51 011 Salaries and benefits - director and assistant directors	607,532	585,256
012 Salaries and benefits - board office personnel	834,432	826,174
013 Office supplies	28,487	20,507
014 Replacement furniture and equipment	33,919	25,038
015 Postage	6,248	11,495
016 Telephone	46,013	34,055
017 Office equipment rentals and repairs	12,566	5,870
018 Bank charges	-	-
019 Electricity	5,157	5,631
021 Fuel	-	-
022 Insurance	2,872	2,987
023 Repairs and maintenance (office building)	-	2,257
024 Travel	104,857	118,261
025 Board meeting expenses	46,174	56,355
026 Election expenses	26,553	-
027 Professional fees	42,606	43,718
028 Advertising	29,570	32,265
029 Membership dues	22,072	21,030
031 Municipal taxes	1,420	1,050
034 Miscellaneous	1,866	460
035 Payroll tax	14,019	13,725
	<u>1,866,363</u>	<u>1,806,134</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
INSTRUCTION EXPENDITURES  
YEAR ENDED JUNE 30, 2010**

		<u>2010</u>	<u>2009</u>
		\$	\$
52	010 Instructional salaries (gross)		
	011 Teachers' salaries - regular	23,616,024	26,642,122
	012 Teachers' salaries - substitute	969,181	904,836
	013 Teachers' salaries - board paid	157,768	138,791
	013 Teachers' salaries - student assistants	636,395	710,529
	014 Augmentation	47,500	285,038
	015 Employee benefits	4,005,602	4,037,255
	016 School secretaries - salaries and benefits	674,619	841,148
	017 Payroll tax	56,309	40,141
	018 Other instructional salaries and benefits	<u>1,421,622</u>	<u>1,252,626</u>
		<u>31,585,020</u>	<u>34,852,486</u>
52	040 Instructional materials		
	041 General supplies	443,651	574,682
	042 Library resource materials	-	10,596
	043 Teaching aids	93,790	120,016
	044 Textbooks	9,300	9,897
	Other (Note 12)	<u>772,738</u>	<u>1,404,592</u>
		<u>1,319,479</u>	<u>2,119,783</u>
52	060 Instructional furniture and equipment		
	061 Replacement	98,017	105,592
	062 Rentals and repairs	<u>136,786</u>	<u>110,452</u>
		<u>234,803</u>	<u>216,044</u>
52	080 Instructional staff travel		
	081 Program co-ordinators	70,204	156,858
	082 Teachers' travel	33,306	59,411
	083 In-service and conference	565,904	544,893
	Students' travel	-	6,758
		<u>669,414</u>	<u>767,920</u>
52	090 Other instructional costs		
	091 Postage and stationery	-	5,031
	092 Other - Francophone Board funds	2,666	13,391
	Other - Health and Community living	<u>100,364</u>	<u>144,115</u>
		<u>103,030</u>	<u>162,537</u>
		<u>33,911,746</u>	<u>38,118,770</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
OPERATIONS AND MAINTENANCE EXPENDITURES  
YEAR ENDED JUNE 30, 2010**

		<u>2010</u>	<u>2009</u>
		\$	\$
53	011 Salaries and benefits - janitorial	1,147,043	1,276,318
	012 Salaries and benefits - maintenance	1,109,709	1,117,757
	013 Payroll tax	38,947	41,418
	014 Electricity	378,087	411,459
	015 Fuel	412,026	522,983
	016 Municipal service fees	55,316	71,446
	017 Telephone	138,149	136,622
	018 Vehicle operating and travel	47,890	28,882
	019 Janitorial supplies	201,061	216,892
	021 Janitorial equipment	27,071	4,255
	022 Repairs and maintenance - buildings	1,003,935	1,132,344
	023 Repairs and maintenance - equipment	6,074	4,157
	024 Contracted services - janitorial	92,643	42,886
	025 Snowclearing	128,199	166,082
	027 Other - mechanical water and sewer	243,487	146,574
	027 Other - salaries and benefits - computer technologies	283,940	248,207
	027 Other - maintenance occupation health and safety	2,611	1,673
		<u>5,316,188</u>	<u>5,569,955</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
PUPIL TRANSPORTATION EXPENDITURES  
YEAR ENDED JUNE 30, 2010**

		<u>2010</u>	<u>2009</u>
		\$	\$
54	010 Operations and Maintenance of Board Owned Fleet		
	011 Salaries and benefits - administration	178,800	158,385
	012 Salaries and benefits - drivers and mechanics	1,432,040	1,591,445
	013 Payroll tax	24,625	27,131
	014 Debt repayment - interest	14,606	33,722
	014 Debt repayment - principal	-	126,834
	017 Gas and oil	222,107	251,583
	018 Licenses	23,772	20,751
	019 Insurance	15,850	21,521
	021 Repairs and maintenance - fleet	219,497	183,928
	022 Repairs and maintenance - building	38,180	12,233
	023 Tires and tubes	36,583	22,784
	024 Heat and light	14,205	15,247
	025 Municipal services	3,462	1,443
	026 Snowclearing	12,708	18,514
	027 Office supplies	2,799	1,463
	029 Travel	7,938	12,832
	031 Professional fees	2,603	3,799
	032 Miscellaneous	3,368	2,194
	033 Telephone	26,267	31,384
	Rent	78,911	78,911
	Occupational health and safety training	264	1,193
		<u>2,358,585</u>	<u>2,617,297</u>
54	040 Contracted Services		
	041 Regular transportation	15,557	24,570
	042 Handicapped	8,030	8,250
		<u>2,382,172</u>	<u>2,650,117</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**ANCILLARY SERVICES**  
YEAR ENDED JUNE 30, 2010

	<u>2010</u>	<u>2009</u>
	\$	\$
55 Ancillary Services		
011 Operation of teachers' residence	213,675	209,119
013 Janitorial	-	-
031 Cafeterias	-	-
032 Other	-	-
	<u>213,675</u>	<u>209,119</u>

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See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

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**LABRADOR SCHOOL BOARD  
MISCELLANEOUS EXPENDITURES  
YEAR ENDED JUNE 30, 2010**

	<u>2010</u> \$	<u>2009</u> \$
57 001 Miscellaneous	<u>-</u>	<u>-</u>



**LABRADOR SCHOOL BOARD**  
**DETAILS OF CAPITAL ASSETS**  
 YEAR ENDED JUNE 30, 2010

		Balance June 30, 2009	Additions	Disposals	Balance June 30, 2010
		\$	\$	\$	\$
Land and sites					
12	210 Land and Sites	173,221	57,803	-	231,024
	211 Pavement	-	150,638	-	150,638
		<u>173,221</u>	<u>208,441</u>	<u>-</u>	<u>381,662</u>
12	220 Buildings				
	221 Schools	36,586,838	604,875	-	37,191,713
	222 Administration	283,947	-	-	283,947
	223 Residential	2,403,914	429,634	-	2,833,548
	224 Recreation	-	-	-	-
	225 Other - maintenance	263,899	-	-	263,899
		<u>39,538,598</u>	<u>1,034,509</u>	<u>-</u>	<u>40,573,107</u>
12	230 Furniture and equipment	2,852,466	-	-	2,852,466
12	240 Vehicles				
	241 Service vehicles	-	-	-	-
12	250 Pupil Transportation				
	251 Land	-	-	-	-
	252 Building	-	-	-	-
	253 Vehicles - buses	1,889,057	-	243,901	1,645,156
	254 Vehicles - service	177,348	-	-	177,348
	255 Equipment	-	-	-	-
	256 Other	-	-	-	-
		<u>2,066,405</u>	<u>-</u>	<u>243,901</u>	<u>1,822,504</u>
12	260 Miscellaneous Capital				
	261 Other	-	-	-	-
<b>Total Capital Assets</b>		<u><u>44,630,690</u></u>	<u><u>1,242,950</u></u>	<u><u>243,901</u></u>	<u><u>45,629,739</u></u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
DETAILS OF LONG-TERM DEBT  
YEAR ENDED JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
Bank loans, mortgages and debentures, approved by the Board and the Government of Newfoundland and Labrador		
22 210 Loans Other Than Pupil Transportation		
<u>Reference Number</u>		
211 Bank Loans		
Prime minus __ , repayable __ monthly, repaid during year	-	-
212 Mortgages		
____, repayable \$____, monthly, maturing	-	-
____, repayable \$____, monthly, maturing	-	-
____, repayable \$____, monthly, maturing	-	-
Total 212	-	-
213 Vehicles		
____, repayable \$____, monthly, maturing	-	-
____, repayable \$____, monthly, maturing	-	-
Total 213	-	-
214 Other		
____, repayable \$____, monthly, maturing	-	-
Subtotal	-	-
216 Less: Current Maturities	-	-
Total Loans Other than Pupil Transportation	-	-

.../Continued

See accompanying notes to financial statements.

Belanger Clarke Follett &amp; McGettigan, Chartered Accountants

**LABRADOR SCHOOL BOARD  
DETAILS OF LONG-TERM DEBT  
YEAR ENDED JUNE 30, 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
22 220 Loans - Pupil Transportation		
<u>Reference Number</u>		
221 Vehicle Bank Loans		
Prime minus .25%, repayable \$2,172 monthly, maturing 2013	76,018	102,080
Prime minus .25% repayable \$2,517 monthly, maturing 2012	60,241	90,447
Prime minus .25%, repayable \$1,696 monthly, maturing 2015	106,841	127,192
Prime minus .25%, repayable \$581 monthly, maturing 2014	27,882	34,853
Prime minus .25%, repayable \$3,137 monthly, maturing 2011	29,583	78,826
Prime minus .25%, repayable \$598 monthly, maturing 2018	41,181	48,177
Prime minus .25%, repayable \$2,924 monthly, maturing 2018	<u>286,496</u>	<u>321,584</u>
Subtotal	628,242	803,159
223 Less: Current Maturities	<u>163,500</u>	<u>163,500</u>
Total Loans - Pupil Transportation	<u>464,742</u>	<u>639,659</u>
Total Long-term Debt	<u><u>464,742</u></u>	<u><u>639,659</u></u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
SUMMARY OF LONG-TERM DEBT  
YEAR ENDED JUNE 30, 2010**

<u>Description</u>	<u>Rate</u> %	<u>Balance</u> <u>June 30,</u> <u>2009</u> \$	<u>Loans</u> <u>Obtained</u> <u>During Year</u> \$	<u>Principal</u> <u>Repayment</u> <u>For Year</u> \$	<u>Balance</u> <u>June 30,</u> <u>2010</u> \$
(A) School construction		-	-	-	-
(B) Equipment		-	-	-	-
(C) Service vehicles		-	-	-	-
(D) Other		-	-	-	-
(E) Bus acquisition	Prime - 0.25	<u>803,159</u>	<u>-</u>	<u>174,917</u>	<u>628,242</u>
Total Loans		<u><u>803,159</u></u>	<u><u>-</u></u>	<u><u>174,917</u></u>	<u><u>628,242</u></u>
Less: Current Maturities					<u><u>163,500</u></u>
Total Loans					<u><u><u>464,742</u></u></u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**SCHEDULE OF CURRENT MATURITIES**  
 YEAR ENDED JUNE 30, 2010

<u>Description</u>	<u>2011</u> \$	<u>2012</u> \$	<u>2013</u> \$	<u>2014</u> \$	<u>2015</u> \$
(A) School construction	-	-	-	-	-
(B) Equipment	-	-	-	-	-
(C) Service Vehicles	-	-	-	-	-
(D) Other	-	-	-	-	-
(E) Pupil transportation	<u>163,500</u>	<u>129,223</u>	<u>93,478</u>	<u>69,588</u>	<u>58,952</u>
Total	<u><u>163,500</u></u>	<u><u>129,223</u></u>	<u><u>93,478</u></u>	<u><u>69,588</u></u>	<u><u>58,952</u></u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD**  
**SCHEDULE OF INTEREST EXPENDITURES**  
 YEAR ENDED JUNE 30, 2010

<u>Description</u>	<u>2010</u> \$	<u>2009</u> \$
012 Capital		
School construction	-	-
Equipment	-	-
Service vehicles	-	-
Other - teachers' residences	-	-
Pupil transportation	-	-
	<u>-</u>	<u>-</u>
Total Capital		
013 Current - operating loans	-	14
Current - supplier interest charges	7,953	7,729
	<u>7,953</u>	<u>7,743</u>
Total current		
	<u>7,953</u>	<u>7,743</u>
Total Interest Expense	<u>7,953</u>	<u>7,743</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**

**LABRADOR SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2010**

		<u>2010</u>	<u>2009</u>
		\$	\$
1.	<u>Cash</u>		
	<u>Current</u>		
11	110 Cash on hand and in bank		
	111 Cash on hand	1,000	1,000
	112 Bank - current	(3,870)	
	113 Bank - savings - Labrador West School Committee	-	63,982
	- Funds in trust	-	182,762
	113 Bank - teachers' payroll	2,712,076	-
	114 Bank - teachers' payroll	(1,035)	-
	115 Bank - non teachers' payroll	-	(4,131)
	116 Bank - coupon (debenture)	-	-
	<u>Capital</u>		
11	210 Cash on Hand and in Bank	-	-
	211 Cash on Hand and in Bank	-	-
	212 Bank - current	-	-
	213 Bank - savings	-	-
	214 Bank - other	-	-
		<u>2,708,171</u>	<u>243,613</u>
	Total Cash on Hand and in Bank		
2.	<u>Short Term Investments</u>		
	<u>Current</u>		
11	121 Term deposits	510,218	3,617,944
	122 Canada Savings Bonds	-	-
	123 Other	-	-
	<u>Capital</u>		
11	221 Term deposits	-	-
	222 Canada Savings Bonds	-	-
	223 Other	-	-
		<u>510,218</u>	<u>3,617,944</u>
	Total Short Term Investments		

.../Continued

See accompanying notes to financial statements.

Belanger Clarke Follett &amp; McGettigan, Chartered Accountants

**LABRADOR SCHOOL BOARD  
SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2010**

			<u>2010</u>	<u>2009</u>
			\$	\$
3.	<u>Prepaid Expenses</u>			
	<u>Current</u>			
11	141	Insurance	6,700	-
	142	Municipal services fees	17,400	12,270
	143	Supplies	-	-
	144	Other - WHSCC	-	-
	144	Other - travel	-	-
	144	Other - miscellaneous	35,416	40,282
	<u>Capital</u>			
11	241	Other	-	-
			<u>59,516</u>	<u>52,552</u>

See accompanying notes to financial statements.

**Belanger Clarke Follett & McGettigan, Chartered Accountants**



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**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
YEAR ENDED JUNE 30, 2010

**1. DESCRIPTION OF OPERATIONS**

The Labrador School Board is a learning organization which is mandated to organize and administer primary, elementary and secondary education within the school board.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared on a fund accounting basis which is generally accepted for School Boards. Fund accounting can be defined as "accounting procedures in which a self-balancing group of accounts is provided for each fund". It is customary for School Boards to account separately for the current and capital funds.

A summary of significant accounting policies adopted by the Board, relating to their use of fund accounting, is as follows:

- (a) Grants received by the Board are recorded in either the current or capital funds, depending on their source. Grants from the Department of Education are treated as current revenue while those from the Newfoundland and Labrador Education Investment Corporation are mostly recorded as capital revenues.
- (b) The Board does not calculate or record amortization on any of its capital assets.
- (c) As a result of the amalgamation of former school boards to form the Labrador School Board, described below, historical cost information related to capital assets is not always available.

In instances where the historical cost of a capital assets is unknown, only the proceeds received on the disposition of the capital assets are credited to the capital assets account.

If the historical cost of a capital asset is known, the disposition of the capital assets is recorded by removing the full cost of the asset from the capital asset account.

- (d) All capital expenditures financed out of current revenue funds are recorded as an expenditure in the current account.
- (e) Principal repayment of Pupil Transportation Loans are recorded as current expenditures. All other principal repayment of bank loans are recorded as capital expenditures.

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**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
YEAR ENDED JUNE 30, 2010

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Severance Pay

The Board has in effect severance pay policies whereby employees are entitled to a severance payment upon leaving employment with the Board. Under these policies, a permanent employee who has nine (9) or more years of continuous service in the employ of the School Board is entitled to be paid on resignation, retirement, termination by reasons of disability, expiry of recall rights or, in the event of death, to the employee's estate, severance pay equal to the amount obtained by multiplying the number of completed years of continuous employment by his weekly salary to a maximum of twenty (20) weeks pay. This liability for severance pay has been accrued in the accounts for all employees who have a vested right to receive such payments.

Severance pay for teachers is paid through the Department of Education.

Executive staff paid leave

Executive staff paid leave is paid through the Department of Education.

Other

Effective January 1, 1997, the Labrador School Board was formed through the amalgamation of the Labrador West Integrated School Board, the Labrador East Integrated School Board and the Roman Catholic School Board for Labrador. The amalgamation was accounted for using the pooling of interests method where by the assets and liabilities of each School Board were combined to become the assets of the new Labrador School Board.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 recorded amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in the period in which they become known. Actual results could differ from these estimates.

**3. FINANCIAL INSTRUMENTS**

The school board's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and accrued liabilities, long-term debt, accrued support staff severance, accrued teacher severance and accrued executive staff paid leave. Unless otherwise noted, it is management's opinion that the school board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
 YEAR ENDED JUNE 30, 2010

**4. ACCOUNTS RECEIVABLE**

	<u>2010</u>	<u>2009</u>	
	\$	\$	
	<u>Current</u>		
11 131	Provincial Government Grant	4,126,938	4,895,384
132	Transportation	-	-
133	Federal Government	747,789	109,453
134	School taxes	-	-
136	Other School Boards	-	-
137	Rent	-	-
138	Interest	-	-
139	Travel advances and miscellaneous	100,832	77,944
	<u>Capital</u>		
11 231	EIC - construction grants	-	-
233	Local contributions	-	-
234	Other School Boards	-	-
235	Other - Department of Education	-	-
	<u>4,975,559</u>	<u>5,082,781</u>	
	Less: Allowance for uncollectible Government Grants	-	-
	<u><u>4,975,559</u></u>	<u><u>5,082,781</u></u>	

**5. BANK INDEBTEDNESS - CURRENT**

	<u>2010</u>	<u>2009</u>	
	\$	\$	
21 131	On operating credit	-	-
132	On current account	-	-
	<u>-</u>	<u>-</u>	
	<u><u>-</u></u>	<u><u>-</u></u>	

**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
 YEAR ENDED JUNE 30, 2010

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

		<u>2010</u>	<u>2009</u>
		\$	\$
<u>Current</u>			
21	111 Trade payables	529,995	567,268
	112 Accrued - liabilities	34,729	24,700
	113 Accrued - interest	-	-
	114 Accrued - wages	186,752	90,844
	115 Payroll deductions	62,471	155,175
	116 Retail sales tax	-	-
	117 Deferred grants	2,418,715	2,510,893
	119 Summer pay - teachers	3,432,320	3,877,688
	122 Department of Education	-	-
<u>Capital</u>			
21	211 Trade payables	-	-
	212 Accrued - liabilities	-	-
	213 Accrued - interest	-	-
	217 Deferred grants	-	-
	218 Other	-	-
		<u>6,664,982</u>	<u>7,226,568</u>

**7. RESTRICTED FUND**

	<u>2010</u>	<u>2009</u>
	\$	\$
Labrador West School Committee	<u>60,772</u>	<u>123,672</u>

The restricted surplus represents unexpended funding set aside for the benefit of the Labrador West School Committee. The available funds must be spent in Labrador West.

**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
 YEAR ENDED JUNE 30, 2010

**8. ADJUSTMENT TO PRIOR YEAR**

An adjustment was required to report an accrued executive staff paid leave liability for the period ended June 30, 2010. The adjustment arose as a result of a requirement by the Department of Education of the Government of Newfoundland and Labrador.

As a result of the adjustment, the comparative figure for the accrued executive staff paid leave liability of \$138,227 is also reported.

Adjustments to the board deficiency are disclosed in Note 10.

**9. INVESTMENT IN CAPITAL ASSETS**

	<u>2010</u>	<u>2009</u>
	\$	\$
Balance, beginning, as previously reported	44,640,012	43,341,077
Transfer of operating funds to capital fund	-	-
Principal repayment of housing loan	-	-
Proceeds from bussing loans (net)	-	-
Addition to schools	1,242,950	1,182,460
Purchase of service vehicle	-	122,603
	<u>45,882,962</u>	<u>44,646,140</u>
Deduct adjustments:		
Cost of assets sold		
Land	-	-
Buildings	-	6,128
Buses	243,901	-
Service vehicles	-	-
	<u>-</u>	<u>-</u>
23    221    Balance, ending	<u><u>45,639,061</u></u>	<u><u>44,640,012</u></u>

**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
 YEAR ENDED JUNE 30, 2010

**10. BOARD DEFICIENCY**

	<u>2010</u>	<u>2009</u>
	\$	\$
Balance, beginning As previously reported	(5,880,342)	(5,705,493)
Adjustment in current year:		
Correction re prior year (Note 8)	-	(138,227)
Transfer of deficit to North Coast Housing Program	-	49,500
Other adjustments - receivables	-	1,501
	<u>(5,880,342)</u>	<u>(5,792,719)</u>
Excess (deficiency) of revenue over expenditures	<u>(238,178)</u>	<u>(87,623)</u>
Balance, ending	<u><u>(6,118,520)</u></u>	<u><u>(5,880,342)</u></u>

The Board deficiency is comprised as follows:

	<u>2010</u>	<u>2009</u>
	\$	\$
Deficit upon amalgamation at January 1, 1997	(504,281)	(504,281)
Deficits that are the responsibility of the Department of Education:		
Teachers' severance	(5,935,453)	(5,725,965)
Executive staff paid leave	(183,068)	(138,227)
Surplus attributable to Board operations since amalgamation	<u>504,282</u>	<u>488,131</u>
Board deficiency, end of year	<u><u>(6,118,520)</u></u>	<u><u>(5,880,342)</u></u>

**11. COMMITMENTS**

At the balance sheet date, the Board has the following commitments:

The Board has entered into various lease agreements with estimated future payments for the next two years as follows:

	\$
2011	36,180
2012	31,315

**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
YEAR ENDED JUNE 30, 2010

**12. OTHER INSTRUCTIONAL MATERIALS**

	<u>2010</u>	<u>2009</u>
	\$	\$
Native Peoples	72,387	76,277
Labrador Studies	27,547	49,830
Modern Technology	124,569	210,637
Teacher Orientation - North Coast	25,864	3,470
Creative Arts Festival	16,141	30,776
Lifeskills Program	39,560	20,793
Special Projects - Housing	216,248	184,766
Innu - Sheshatshiu	19,873	186,373
Labrador North Sports Meet	30,618	31,877
Mushuau Innu Natuashish	8,748	473,735
Grenfell Library Program	149,399	111,872
Labrador West Funds	24,625	1,189
Music Supplies	5,049	3,998
Stepping Into the Future	<u>12,110</u>	<u>18,999</u>
	<u><u>772,738</u></u>	<u><u>1,404,592</u></u>

**13. CONTINGENT LIABILITIES**

The Lavers Inquiry is currently investigating allegations of abuse at schools formerly run by various churches in certain parts of Labrador. The possibility or magnitude of any resulting liability arising to the Board is not known.

A human rights complaint has been filed against the Board. A response to this complaint has been filed on behalf of the Board. The Board is awaiting a determination by the Human Rights Commission as to whether the complaint will be referred to a Board of Enquiry.

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**LABRADOR SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS**  
YEAR ENDED JUNE 30, 2010

**14. OTHER**

At the balance sheet date the Board was in the process of compiling information related to its capital assets which will allow it to change its accounting policy related to the reporting of capital assets.

When the change in the accounting policy is implemented, the Board will record amortization of its tangible capital assets in accordance with Public Sector Accounting Board standards.

Complete information to implement this change in policy for the year ended June 30, 2010 was not available at the date of these financial statements. It is anticipated that this change in accounting policy will be implemented for the year ending June 30, 2011.

**15. MANAGING CAPITAL**

The Board is subject to externally imposed capital management requirements pursuant to its credit facility. These requirements are consistent with normal commercial debt terms. Management acts to ensure that the company complies with the requirements and is not aware of any violations that would result in the bank taking any actions against the Board.