

BUFFALO RIVER DENE NATION

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

for the year ended March 31, 2016

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BUFFALO RIVER DENE NATION

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Management's Responsibility for the Consolidated Financial Statements

To the Members of Buffalo River Dene Nation:

The accompanying consolidated financial statements of Buffalo River Dene Nation are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgements of management.


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Bjorn Sigurdson CPA PC Inc. conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Buffalo River Dene Nation and meet when required.

On behalf of Buffalo River Dene Nation:





INDEPENDENT AUDITOR'S REPORT

To the Members of the **Buffalo River Dene Nation**:

We have audited the accompanying consolidated financial statements of **Buffalo River Dene Nation** which is comprised of the consolidated statement of financial position as of March 31, 2016 and the consolidated statements of operations, changes in net financial assets, surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility of 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.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on my audit. We conducted my 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.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 First Nation'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 First Nation'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.



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Bjorn Sigurdson CPA, CA
Accountant | Financial Consultant

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

Opinion

In our opinion, the financial statements present fairly, in all material aspects, the financial position of **Buffalo River Dene Nation** as at March 31, 2016, and the results of its operation and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The supplementary information contained in the accompanying schedules is presented for purposes of additional information to the membership and Aboriginal Affairs and Northern Development Canada and does not form part of the consolidated financial statements. The schedules have not been audited other than in the course of my audit of the financial statements to the extent necessary to allow me to render an opinion thereon.

Bjorn Sigurdson CPA PwC Corp

Saskatoon, Saskatchewan
September 15, 2016

Chartered Professional
Accountants



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BUFFALO RIVER DENE NATIONSTATEMENT OF FINANCIAL POSITION
as at March 31, 2016

	<u>2016</u>	<u>2015</u>
<u>FINANCIAL ASSETS</u>		
Restricted deposits	\$ 601,176	\$ 827,668
Accounts receivable (Note 2)	105,276	210,912
Advances receivable (Note 3)	400,000	400,000
Trust funds (Note 4)	58,007	57,405
Investments (Note 5)	868,105	874,932
Limited partnership joint ventures (Note 6)	<u>4,111,944</u>	<u>4,892,083</u>
	<u>6,144,508</u>	<u>7,263,000</u>
<u>FINANCIAL LIABILITIES</u>		
Bank indebtedness	518,323	240,453
Accounts payable (Note 7)	412,586	384,273
Unexpended revenue (Note 8)	439,333	418,596
Funded reserves (Note 9)	458,653	548,956
Term debt (Notes 10 & 11)	<u>3,810,846</u>	<u>4,275,959</u>
	<u>5,639,741</u>	<u>5,868,237</u>
NET FINANCIAL ASSETS	504,767	1,394,763
<u>NON-FINANCIAL ASSETS</u>		
Tangible capital assets (Note 12)	14,066,049	14,738,229
Prepaid expenses	<u>12,009</u>	<u>-</u>
SURPLUS	\$ 14,582,825	\$ 16,132,992

APPROVED BY COUNCIL:



THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

BUFFALO RIVER DENE NATION

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STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
for the year ended March 31, 2016

	<u>2016</u>	<u>2015</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (867,908)	\$ 246,106
Sale of capital assets	2,631	187,640
Purchase of capital assets	(279,288)	(1,010,145)
Amortization of capital assets	199,135	195,945
Receipt of capital transfers	67,443	48,781
Funding agency adjustment	-	(1,804)
Prepaid expenses	(<u>12,009</u>)	<u>-</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(889,996)	(333,477)
BALANCE, beginning of the year	<u>1,394,763</u>	<u>1,728,240</u>
BALANCE, end of the year	\$ <u>504,767</u>	\$ <u>1,394,763</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
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BUFFALO RIVER DENE NATION

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STATEMENT OF OPERATIONS for the year ended March 31, 2016

	<u>Budget 2016</u>	<u>2016</u>	<u>2015</u>
REVENUE:			
Grants and Contributions:			
- Aboriginal Affairs	\$ 5,432,357	\$ 5,432,357	\$ 4,294,813
- Meadow Lake Tribal Council	3,972,620	3,948,764	3,914,934
- Northern Recreation Committee	47,000	47,000	43,987
- Government of Saskatchewan	-	-	10,500
- Solicitor General	-	-	5,031
- Health Canada	112,087	112,087	121,899
- First Nations Trust Gaming	400,000	473,294	480,081
- Northern Lights Community	152,385	152,385	108,218
- Waste Management Authority	262,500	262,500	-
Trust fund interest	1,000	1,205	2,167
Rentals	64,000	80,371	116,997
Earnings distributions and interest	215,178	369,176	535,147
Administrative fees	285,006	285,006	291,255
Contracting and service fees	208,855	193,561	234,091
Expense recoveries and other income	107,506	336,827	124,201
Sales tax rebates	20,000	14,558	37,497
Housing rentals and subsidy	<u>260,880</u>	<u>260,880</u>	<u>246,008</u>
	11,541,374	11,969,971	10,566,826
Unexpended revenue - prior year	418,596	418,596	562,857
- current year	<u>-</u>	(439,333)	(418,596)
	11,959,970	11,949,234	10,711,087
EXPENSES	<u>11,593,266</u>	<u>12,416,117</u>	<u>10,528,766</u>
SURPLUS (DEFICIT) BEFORE THE UNDERNOTED	366,704	(466,883)	182,321
Limited partnership earnings (loss)	200,000	(394,198)	46,881
Change in investment equity	<u>30,000</u>	<u>(6,827)</u>	<u>16,904</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>\$ 596,704</u>	<u>\$ (867,908)</u>	<u>\$ 246,106</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
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BUFFALO RIVER DENE NATION**STATEMENT OF SURPLUS BALANCES
for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
<u>SURPLUS, DEFERRED CAPITAL TRANSFERS</u>		
BALANCE, beginning of the year	\$ 10,518,340	\$ 11,204,566
PLUS: Capital contributions received	67,443	48,781
LESS: Amortization recorded	(749,702)	(735,007)
BALANCE, end of the year	\$ 9,836,081	\$ 10,518,340

SURPLUS, APPROPRIATED FOR INVESTMENTS

BALANCE, beginning of the year	\$ 874,932	\$ 858,028
Buffalo River Dene Development Inc.		
- earnings (loss) for the year	-	(642)
Meadow Lake Co-op		
- equity allocation	11,531	20,563
- funds distributed	(11,531)	(21,024)
- equity adjustment	(17,875)	-
Buffalo River Mini Mart & Gas Bar Inc.		
- earnings (loss) for the year	158,115	353,189
- funds distributed	(147,067)	(335,182)
BALANCE, end of the year	\$ 868,105	\$ 874,932

BUFFALO RIVER DENE NATION**STATEMENT OF SURPLUS / EQUITY BALANCES
for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
<u>SURPLUS (DEFICIT), APPROPRIATED FOR CMHC HOUSING</u>		
BALANCE, as beginning of the year	\$ (1,804)	\$ -
ADJUSTMENTS BY FUNDING AGENCY	-	(1,804)
SURPLUS (DEFICIT) for the year	<u>-</u>	<u>-</u>
BALANCE, end of the year	<u>\$ (1,804)</u>	<u>\$ (1,804)</u>
 <u>SURPLUS (DEFICIT), UNAPPROPRIATED</u>		
BALANCE, as beginning of the year	\$ 4,741,524	\$ 4,512,322
SURPLUS (DEFICIT) FOR THE YEAR	(867,908) 3,873,616	<u>246,106</u> 4,758,428
ALLOCATION OF SURPLUS TO APPROPRIATED ACCOUNTS - Investments	<u>6,827</u>	(<u>16,904</u>)
BALANCE, end of the year	<u>\$ 3,880,443</u>	<u>\$ 4,741,524</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
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BUFFALO RIVER DENE NATION**STATEMENT OF CASH FLOWS
for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
OPERATIONS:		
Surplus (Deficit) for the year	\$ (867,908)	\$ 246,106
Plus : amortization	199,135	195,945
: funding agency adjustment	<u>-</u>	(1,804)
	(668,773)	440,247
Changes in non-cash Working Capital items:		
Accounts receivable	105,636	7,022
Prepaid expenses	(12,009)	-
Accounts payable	28,313	(70,571)
Unexpended revenue	<u>20,737</u>	(144,261)
	<u>(526,096)</u>	<u>232,437</u>
INVESTING ACTIVITIES:		
Sale of capital assets	2,631	187,640
Purchase of capital assets	(279,288)	(1,010,145)
Trust equity change	(602)	(1,351)
Investment equity change	6,827	(16,904)
Limited partnership joint venture changes	<u>780,139</u>	<u>97,404</u>
	<u>509,707</u>	(743,356)
FINANCING ACTIVITIES:		
Receipt of capital funding	67,443	48,781
Proceeds of term debt	334,952	730,555
Repayment of term debt	(800,065)	(726,005)
	<u>(397,670)</u>	<u>53,331</u>
INCREASE (DECREASE) IN CASH RESOURCES	(414,059)	(457,588)
CASH RESOURCES, beginning of the year	<u>38,259</u>	<u>495,847</u>
CASH RESOURCES, end of the year	\$ (375,800)	\$ 38,259
CASH RESOURCES:		
Bank	\$ (518,323)	\$ (240,453)
Restricted deposits	601,176	827,668
Funded reserves	<u>(458,653)</u>	<u>(548,956)</u>
	<u>\$ (375,800)</u>	<u>\$ 38,259</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

BUFFALO RIVER DENE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These summary financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles:

Common Government Reporting Model

Buffalo River Dene Nation has adopted the common government reporting model, as defined by the CICA Public Sector Accounting Handbook and required for First Nation government bodies for fiscal years beginning on or after January 1, 2009. The changes have been applied retroactively.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles 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 reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Reporting Entity and Principles of Financial Reporting

The Buffalo River Dene Nation reporting entity includes the Buffalo River Dene Nation government and all related entities, which are accountable to the Dene Nation and are either owned or controlled by the Dene Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities, which use accounting principles, which lend themselves to consolidation:

- Buffalo River Dene Nation – CMHC Housing Fund

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Incorporated business entities, which are owned or controlled by the Buffalo River Dene Nation council and which are not dependent on the Dene Nation for their continuing operations, are included in the financial statements using the modified equity method. These include:

- Buffalo River Mini Mart & Gas Bar Inc.

BUFFALO RIVER DENE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Capital Assets

Property, equipment and infrastructure expenditures incurred are valued at acquisition cost.

Housing units of Buffalo River Dene Nation CMHC Housing Fund are amortized at the same rate as the principal repayment of the mortgages.

Amortization is provided over the estimated economic useful life of the asset on a straight-line basis on the following assets at the following rates:

Buildings	20 to 75 years
Housing units	40 years
Vehicles	4 years
Equipment and furniture	5 to 10 years
Trailers	10 years
Roads	25 years
Infrastructure	20 to 80 years

2. ACCOUNTS RECEIVABLE:

	<u>2016</u>	<u>2015</u>
Housing rentals	\$ -	\$ 51,220
Housing subsidy receivable	46,054	10,808
MLTC Program Services	8,835	65,907
Northern Lights Community Development	39,342	14,585
Saskatchewan Highways	-	6,300
MLTC Health & Social Development	-	3,264
Payroll advances	10,216	8,071
Expense recoveries	<u>829</u>	<u>50,757</u>
	<u>\$ 105,276</u>	<u>\$ 210,912</u>

3. ADVANCES RECEIVABLE:

The Dene Nation has made an advance to Buffalo River Mini Mart & Gas Bar Inc. of \$400,000 (2015 - \$400,000), which is unsecured, non-interest bearing and not subject to a fixed repayment schedule. Advances were made to purchase term deposits which are being held as security for bank operating lines of credit.

BUFFALO RIVER DENE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016

4. TRUST FUNDS:

The following funds are held in trust for the Dene Nation by Aboriginal Affairs and Northern Development Canada:

	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>
Balance, March 31, 2015	\$ 31,881	\$ 25,523	\$ 57,405
Plus: Interest	-	1,205	1,205
Less: Interest adjustment	<u>-</u>	<u>(603)</u>	<u>(603)</u>
Balance, March 31, 2016	\$ <u>31,881</u>	\$ <u>26,125</u>	\$ <u>58,007</u>

5. INVESTMENTS:

The First Nation holds the following investments:

	<u>2016</u>	<u>2015</u>
Innovation Credit Union patronage equity account	\$ 468	\$ 468
Meadow Lake Co-op patronage equity account	37,860	55,735
Buffalo River Mini Mart & Gas Bar Inc.		
- Share capital	100	100
- Contributed capital	88,252	88,252
- Retained earnings	740,482	729,434
First Nations Bank		
- 537 Class A common shares	940	940
MLDC Program Services		
- 1 Class A common share (11%)	1	1
MLDC Investment Co. Ltd.		
- 1 Class A common share (11%)	1	1
MLTC Resource Development Inc.		
- 1 Class A common share	<u>1</u>	<u>1</u>
	\$ <u>868,105</u>	\$ <u>874,932</u>

Buffalo River Mini Mart made an earnings distribution of \$147,067 (2015 - \$335,182) to the First Nation

BUFFALO RIVER DENE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016****6. LIMITED PARTNERSHIPS AND JOINT VENTURES:**

The First Nation has the following holdings:

1) MLTC Resource Development Limited Partnerships (11.1% interest):

	<u>2016</u>	<u>2015</u>
BALANCE, beginning of the year	\$ 4,686,541	\$ 4,789,660
PLUS: share of earnings	(394,198)	46,881
LESS: distribution received	(450,000)	(150,000)
BALANCE, end of the year	<u>3,842,343</u>	<u>4,686,541</u>

2) Mudjatik Enterprises Joint Venture:

BALANCE, beginning of the year	\$ 205,542	\$ 199,827
PLUS: share of earnings	210,578	179,400
LESS: distribution received	(146,519)	(173,685)
BALANCE, end of the year	<u>269,601</u>	<u>205,542</u>
	<u>\$ 4,111,944</u>	<u>\$ 4,892,083</u>

BUFFALO RIVER DENE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016****7. ACCOUNTS PAYABLE:**

	<u>2016</u>	<u>2015</u>
Accrued capital housing costs	\$ -	\$ 7,613
Accrued mortgage interest	2,384	2,365
Employee payroll deductions	9,587	11,670
Employee pension contributions	43,113	12,480
Employee insurance contributions	19,501	6,452
Legal fees	95,690	45,689
Buffalo River Mini Mart	54,223	118,357
Trade creditors	83,825	127,884
Housing reserve obligations (Note 9)	104,263	(5,736)
Capital asset purchases	<u>-</u>	<u>57,499</u>
	<u>\$ 412,586</u>	<u>\$ 384,273</u>

8. UNEXPENDED REVENUE:

The First Nation has the following unexpended (overexpended) revenue:

	<u>Sch</u>	<u>2016</u>	<u>2015</u>
Instruction	2	\$ -	\$ 151,812
Benefits	15	(11,706)	(15,420)
Capital Water and Sewer	18	366,414	111,006
Capital School Upgrade	19	84,625	165,817
Tuberculosis	26	<u>-</u>	<u>5,381</u>
		<u>\$ 439,333</u>	<u>\$ 418,596</u>

BUFFALO RIVER DENE NATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

9. FUNDED RESERVES:

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation is required to fund both an asset replacement reserve and an operations surplus reserve. Use of the funded reserves is subject to the terms of the agreement. As for the fiscal year end the reserve obligation is:

	<u>2016</u>	<u>2015</u>
Total obligation	\$ 562,916	\$ 543,220
Funds on deposit	<u>458,653</u>	<u>548,956</u>
Payable balance (Note 7)	<u>\$ 104,263</u>	<u>\$ (5,736)</u>

10. TERM DEBT:

	<u>2016</u>	<u>2015</u>
1) First Nations Bank # 1- proceeds of which were used to repay existing loans, fund a contribution to a CMHC housing program and provide working capital. The loan is repayable in quarterly instalments of \$67,083 plus interest monthly at 5.35%.	\$ 1,490,717	\$ 1,759,050
2) First Nations Bank # 2 – proceeds of which were used to fund working capital, complete capital projects and fund reserve accounts. The loan is repayable in annual instalments of \$150,000 plus monthly instalments of \$4,808 plus interest 5.35%.	236,639	444,231
3) First Nations Bank # 3 – proceeds of which were used to fund working capital. The loan is repayable in monthly instalments of \$4,167 plus interest at 5.35%.	62,500	112,500
4) First Nations Bank # 4 – proceeds of which were used to payout a finance contract.	-	70,576
5) First Nations Bank # 5 – proceeds of which were used to finance legal costs. The loan is repayable in monthly instalments of \$5,000 plus interest at 5.35%.	120,000	180,000

BUFFALO RIVER DENE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016****10. TERM DEBT: (Continued)**

	<u>2016</u>	<u>2015</u>
6) First Nations Bank # 6 – proceeds of which were used to purchase equipment. The loan is repayable in quarterly instalments of \$20,000 plus interest monthly at 5.35%.	\$ 231,708	\$ -
7) Royal Bank finance contract to purchase a vehicle. Payments are \$656 per month including interest at 4.99%.	14,363	-
8) Royal Bank finance contract to purchase a vehicle. Payments are \$1,067 per month with interest at 4.99%.	23,373	-
	<u> </u>	<u> </u>
	\$ 2,179,300	\$ 2,566,357
	<u> </u>	<u> </u>

The amount of debt repayable in subsequent periods is estimated to be:

2017	\$ 685,254
2018	466,288
2019	340,041
2020	268,333
2021	268,333
2022	<u>151,051</u>
	\$ 2,179,300
	<u> </u>

BUFFALO RIVER DENE NATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016

11. RENTAL MORTGAGES:

	<u>2016</u>	<u>2015</u>
<u>Phase 2</u>		
CMHC mortgage	\$ -	\$ 1,118
<u>Phase 4</u>		
CMHC mortgage with payments of \$1,698 per month including interest at the rate of 2.63%. Renewal date June 1, 2016.	181,688	197,076
<u>Phase 5</u>		
CMHC mortgage with payments of \$1,524 per month including interest at the rate of 1.53%. Renewal date December 1, 2017.	263,025	218,922
<u>Phase 6</u>		
CMHC mortgage with payments of \$1,450 per month including interest at the rate of 1.05%. Renewal date April 1, 2020.	226,386	241,147
<u>Phase 7</u>		
CMHC mortgage with payments of \$4,068 per month including interest at the rate of 2.18%. Renewal date December 1, 2019.	540,235	576,871
<u>Phase 8</u>		
CMHC mortgage with payments of \$3,118 per month including interest at the rate of 3.23%. Renewal date is May 1, 2020.	480,212	474,468
	<u>1,631,546</u>	<u>1,709,602</u>

The amount of debt to be repaid in subsequent years is estimated at:

Year ended 2017	\$ 102,000
2018	108,000
2019	115,000
2020	123,000
2021	132,000
Subsequent years	<u>1,051,546</u>
	<u>\$ 1,631,546</u>

BUFFALO RIVER DENE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016****12. CAPITAL ASSETS:**

The major categories of capital assets are:

	<u>2016</u>	<u>2015</u>
<u>Cost</u>		
Rental housing	\$ 3,354,324	\$ 3,432,319
Buildings	9,771,662	9,771,662
Equipment	238,421	217,874
Vehicles	716,607	716,607
Machinery	651,629	461,629
Trailers	475,742	439,634
Rental residences	868,792	868,792
Infrastructure	5,871,832	5,871,832
Roads	254,483	254,483
Houses	<u>14,033,399</u>	<u>14,000,766</u>
	<u>36,236,891</u>	<u>36,035,598</u>
 <u>Accumulated Amortization</u>		
Rental housing	699,286	690,849
Buildings	3,977,048	3,781,614
Equipment	174,681	156,478
Vehicles	598,547	535,916
Machinery	461,529	378,629
Trailers	412,936	409,275
Rental residences	567,020	532,269
Infrastructure	2,987,336	2,869,899
Roads	254,483	254,483
Houses	<u>12,037,976</u>	<u>11,687,957</u>
	<u>22,170,842</u>	<u>21,297,369</u>
 Net Book Value	 <u>\$ 14,066,049</u>	 <u>\$ 14,738,229</u>

13. CONTINGENCIES:

Buffalo River Dene Nation has provided a guarantee of \$400,000 on the bank indebtedness of Buffalo River Mini Mart & Gas Bar Inc. At March 31, 2016 the outstanding bank indebtedness of the above organizations was \$148,414. Buffalo River Mini Mart & Gas Bar Inc. is a wholly owned businesses of the Dene Nation. The bank indebtedness is fully secured by pledged term deposits.

BUFFALO RIVER DENE NATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2016****14. FINANCIAL INSTRUMENTS:**

The First Nation, as part of its operations, carries a number of financial instruments which include term deposit, accounts/advances receivable, trust funds, investments, bank indebtedness, accounts/advances payable, unexpended revenue, and term debt. The carrying amounts of the First Nation's financial instruments approximates their market value due to their relatively short-term maturity or capacity for prompt liquidation. It is the management's opinion that the First Nation is not exposed to significant liquidity, interest rate, or credit risk arising from these financial instruments.

15. COMPARATIVE NUMBERS:

Prior year's comparative amounts have been reclassified where necessary to conform to the current year's presentation.

BUFFALO RIVER DENE NATION**SCHEDULE OF REVENUE AND EXPENSES BY ACTIVITY**
for the year ended March 31, 2016

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue Adjust</u>	<u>Surplus (Deficit)</u>
RESERVES:					
Registry	1	\$ <u>9,997</u>	<u>9,997</u>	<u>-</u>	\$ <u>-</u>
EDUCATION:					
Instruction	2	1,550,251	1,796,056	151,812	(93,993)
Transportation	3	133,565	133,806	-	(241)
Post Secondary	3	459,660	460,334	-	(674)
Support	4	106,153	109,150	-	(2,997)
Low Cost	4	132,339	132,339	-	-
Behaviour Modification	5	179,298	179,298	-	-
Enhanced	5	54,788	59,361	-	(4,573)
Student Success	6	<u>220,935</u>	<u>252,217</u>	<u>-</u>	<u>(31,282)</u>
		<u>2,836,989</u>	<u>3,122,561</u>	<u>151,812</u>	<u>(133,760)</u>
SOCIAL SERVICES:					
Assistance	7	1,420,376	1,662,244	-	(241,868)
Special Needs	7	161,968	161,968	-	-
National Child Benefit	8	-	19,378	-	(19,378)
Home Care	9	42,484	49,568	-	(7,084)
Assisted Living	9	<u>27,800</u>	<u>27,800</u>	<u>-</u>	<u>-</u>
		<u>1,652,628</u>	<u>1,920,958</u>	<u>-</u>	<u>(268,330)</u>
INFRASTRUCTURE:					
Electrification	10	21,115	22,772	-	(1,657)
Community Building	10	281,103	281,103	-	-
Roads	11	195,218	195,218	-	-
Fire Protection	11	16,092	16,281	-	(189)
Water	12	206,248	206,248	-	-
Water Salaries	12	42,075	42,138	-	(63)
Sanitation	13	114,137	117,040	-	(2,903)
Facility Insurance	13	83,937	83,937	-	-
School Maintenance	14	346,436	346,912	-	(476)
Teacherage	15	18,005	19,156	-	(1,151)
Other Protection	15	<u>8,145</u>	<u>8,145</u>	<u>-</u>	<u>-</u>
		<u>1,332,511</u>	<u>1,338,950</u>	<u>-</u>	<u>(6,439)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

BUFFALO RIVER DENE NATION**SCHEDULE OF REVENUE AND EXPENSES BY ACTIVITY**
for the year ended March 31, 2016

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue Adjust</u>	<u>Surplus (Deficit)</u>
BAND SUPPORT:					
Administration	16	\$ 924,989	1,188,164	-	\$ (263,175)
Benefits	17	92,272	88,558	(3,714)	-
Service Delivery	17	73,595	101,146	-	(27,551)
Benefits	18	<u>42,750</u>	<u>68,769</u>	<u>-</u>	<u>(26,019)</u>
		<u>1,133,606</u>	<u>1,446,637</u>	<u>(3,714)</u>	<u>(316,745)</u>
 CAPITAL:					
Housing	19	-	-	-	-
Renovations	19	141,332	256,596	-	(115,264)
Water	20	300,000	44,592	(255,408)	-
School Upgrade	21	<u>871,731</u>	<u>952,923</u>	<u>81,192</u>	<u>-</u>
		<u>1,313,063</u>	<u>1,254,111</u>	<u>(174,216)</u>	<u>(115,264)</u>
 HEALTH:					
Management	22	141,728	118,098	-	23,630
Community Health	23	105,286	92,143	-	13,143
Addictions	24	66,732	66,359	-	373
Home Care	24	104,945	90,668	-	14,277
FASD	25	45,692	59,751	-	(14,059)
Family Life	26	107,136	107,796	-	(660)
Nursing	27	463,569	481,327	-	(17,758)
Tuberculous	28	35,000	31,092	5,381	9,289
Transportation Clerk	29	35,000	33,082	-	1,918
Child and Family	30	147,309	148,754	-	(1,445)
Prevention	30	83,936	75,771	-	8,165
Daycare	31	161,356	163,628	-	(2,272)
Programming	33	30,754	30,977	-	(223)
Nursing Rental	32	29,508	36,950	-	(7,442)
Domestic Violence	33	12,000	12,000	-	-
Facility Management	34	54,069	42,082	-	11,987
Water Technician	34	14,746	14,746	-	-
Headstart	35	78,990	83,997	-	(5,007)
Threat and Risk	36	86,938	94,765	-	(7,827)
Youth Suicide	37	9,832	9,450	-	382
Maternal Child	37	<u>34,495</u>	<u>38,595</u>	<u>-</u>	<u>(4,100)</u>
		<u>1,849,021</u>	<u>1,832,031</u>	<u>5,381</u>	<u>22,371</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
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BUFFALO RIVER DENE NATION**STATEMENT OF REVENUE AND EXPENSES BY ACTIVITY**
for the year ended March 31, 2016

	<u>Sch</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue/Cost Adjust</u>	<u>Surplus (Deficit)</u>
OTHER PROGRAMS:					
Summer Student	38	\$ 33,034	33,258	-	\$ (224)
Justice	39	40,771	40,859	-	(88)
CRIF Training	39	99,170	91,264	-	7,906
Police Board	40	-	15,249	-	(15,249)
Elder Support	40	20,000	24,921	-	(4,921)
Economic Development	41	56,088	65,323	-	(9,235)
Fire Suppression	42	194,209	202,874	-	(8,665)
Brush Clearing	42	112,075	97,861	-	14,214
RCMP Rentals	43	31,392	25,920	-	5,472
Housing Rent	43	25,871	7,685	-	18,186
Ottawa Trust	44	1,205	-	-	1,205
Evacuation	44	35,831	35,831	-	-
Hot Meals	45	111,734	78,430	-	33,304
Active Measures	45	25,848	26,010	-	(162)
Northern Recreation	46	47,118	47,167	-	(49)
Northern Lights	47	102,385	99,367	-	3,018
Cultural Support	47	24,400	24,618	-	(218)
Own Source Revenue	48	357,645	50,397	-	307,248
Nuclear Waste	49	262,500	262,958	-	(458)
		<u>1,581,276</u>	<u>1,229,992</u>	<u>-</u>	<u>351,284</u>
APPROPRIATED:					
CMHC Housing	50	<u>260.880</u>	<u>260.880</u>	<u>-</u>	<u>-</u>
		<u>\$ 11,969,971</u>	<u>12,416,117</u>	<u>(20,737)</u>	<u>\$ (466,883)</u>

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