

**Doig River First Nation  
Consolidated Financial Statements**  
*March 31, 2015*

**Doig River First Nation**  
**Contents**  
*For the year ended March 31, 2015*

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## **Management's Responsibility**

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To the Members of Doig River First Nation

The accompanying consolidated financial statements of Doig River First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Doig River First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

September 30, 2015

Originally signed by Shona Nelson  
Administrator

To the Members of Doig River First Nation:

We have audited the accompanying consolidated financial statements of Doig River First Nation, which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

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

*Auditors' Responsibility*

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

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

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

*Basis for Qualified Opinion*

The Nation's budget was prepared and approved but was not available in a format that could be put into the financial statements. Therefore, the Nation did not meet PSA standard 1201 that requires a budget be prepared and disclosed.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly in all material respects the financial position of Doig River First Nation as at March 31, 2015 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Edmonton, Alberta

September 30, 2015

  
Chartered Accountants

**Doig River First Nation**  
**Consolidated Statement of Financial Position**  
As at March 31, 2015

	2015	2014 (Restated)
<b>Financial assets</b>		
Cash	1,468,298	563,254
Accounts receivable (Note 3)	918,425	450,400
Restricted cash (Note 4)	170,515	153,007
Advances and loans to members (Note 5)	118,904	105,738
Investments in Venturion Oil Ltd. - at cost (Note 6)	500,000	-
Investments in Nation businesses (Note 7)	1,047,042	1,134,356
Investment in EBA Development Corp. - at cost	266,668	266,668
A.A.N.D.C. capital and revenue trust funds (Note 8)	71,553	69,870
DOIG Not for Profit Trust Assets (Note 9)	176,608	176,608
<b>Total of assets</b>	<b>4,738,013</b>	2,919,901
<b>Liabilities</b>		
Accounts payable and accruals (Note 10)	1,021,268	871,833
Contributions carried forward (Note 11)	242,712	525,560
Long term debt (Note 12)	3,816,613	3,955,389
A.A.N.D.C. Treaty Land Entitlement debt (Note 13)	5,748,457	5,597,425
Due to Doig S.E.D. Trust	1,670,770	1,155,533
EBA Trust loan payable	-	84,590
<b>Total of financial liabilities</b>	<b>12,499,820</b>	12,190,330
<b>Net debt</b>	<b>(7,761,807)</b>	(9,270,429)
<b>Contingencies</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note Schedule 1)	12,473,073	12,752,989
Prepaid expenses	34,140	34,314
<b>Total non-financial assets</b>	<b>12,507,213</b>	12,787,303
<b>Accumulated surplus</b>	<b>4,745,406</b>	3,516,874
<b>Accumulated surplus is comprised of:</b>		
Accumulated surplus	4,745,406	3,516,874
<b>Approved on behalf of the Nation</b>		

Originally signed by Chief Norman Davis

Chief

Originally signed by Shirley Acko

Councilor

**Doig River First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	1,151,623	1,237,748	
OGC revenue	658,124	600,000	
Health Canada	228,626	211,226	
C.M.H.C. Subsidy	47,990	30,341	
NENAS, FNESC, & First Peoples Heritage grants	25,963	-	
Health Canada deficit reimbursement	14,792	-	
A.A.N.D.C. H.R.O.W debt forgiveness	-	461,884	
TCPL revenue	1,197,000	-	
Other revenue	1,111,897	983,254	
CH2M revenue	878,048	-	
Other industry related revenue	685,000	-	
Other industry related income	569,002	631,671	
EBA / Treaty 8 Heritage Trust revenue	400,000	500,000	
H.R.O.W. Trust Revenue	345,169	365,135	
Permanent trust band benefits allocation	340,180	-	
User fees	258,600	238,447	
Capacity agreement	250,324	-	
Site C revenue	130,000	-	
Company sponsorship and donations	128,477	39,764	
Province of British Columbia	104,603	9,990	
Social Economic Development trust allocation	60,937	66,825	
RRSA income	40,618	30,635	
Grant	25,306	-	
Cattle revenue	20,919	27,419	
Band revenue funds	1,683	2,718	
Louisiana Pacific funding	-	266,022	
	<b>8,674,881</b>	<b>5,703,079</b>	

*Continued on next page*

**Doig River First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015</b>	<b>2014</b> (Restated)
<i>(Continued from previous page)</i>		<b>8,674,881</b>	5,703,079
<b>Program expenses</b>			
AANDC			
Band administration	4	<b>566,373</b>	1,014,191
Social assistance	5	<b>393,481</b>	415,415
Public works	6	<b>195,584</b>	239,388
Capital program	7	<b>461,075</b>	443,761
AANDC Economic Development	8	<b>17,660</b>	22,788
TLE - Claim Expenditures	9	<b>89,316</b>	265,534
TLE - Trapline	10	<b>109,326</b>	94,830
TLE - Agriculture	11	<b>39,406</b>	87,961
TLE - Clearing	12	<b>14,856</b>	-
TLE - Ground Truthing	13	-	101,976
Mineral Rights General Expense	14	<b>58,839</b>	-
Highway Right of Way Claim Negotiation	15	-	118,790
General Education	16	<b>19,992</b>	43,180
Post Secondary Education	17	<b>97,536</b>	122,966
Housing Policy	18	<b>47,200</b>	-
West Coast Energy E&A	19	<b>50,000</b>	-
CORP - Commercial Development	20	<b>123,800</b>	-
P&ID	21	<b>20,000</b>	-
Long Term Water CPMS 7048	22	-	45,963
Facilities	23	<b>22,477</b>	33,979
<b>Total AANDC</b>		<b>2,326,921</b>	3,050,722
Province of British Columbia			
EBA New Negotiations	25	<b>16,917</b>	-
MCFD-FSW Funds	26	<b>19,602</b>	9,990
Pipeline Negotiations	27	<b>105,411</b>	-
<b>Total Province of British Columbia</b>		<b>141,930</b>	9,990
First Nations Health Authority			
Health services	29	<b>259,628</b>	227,403
<b>Total First Nations Health Authority</b>		<b>259,628</b>	227,403
Trust Funded Programs			
Trust fund programs	31	<b>544,857</b>	172,875
<b>Total Trust Funded Programs</b>		<b>544,857</b>	172,875

**Doig River First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015</b>	<b>2014</b> (Restated)
Industry Agreements			
Petro West Landfill	33	<b>75,877</b>	24,470
Conoco Phillips	34	<b>41,116</b>	-
Cultural - Pattern Agreement	35	<b>10,709</b>	-
TCPL-TLUS	36	<b>146,742</b>	-
TCPL_PRGT - TLUS	37	<b>103,370</b>	-
TCPL-LNG	38	<b>362,383</b>	-
TCPL_PRGT - LNG	39	<b>388,151</b>	-
TCPL-Socio Ec	40	<b>50,000</b>	-
Spectra-TLUS	41	<b>215,233</b>	-
Spectra-FNITR	42	<b>53,307</b>	-
Spectra - LNG	43	<b>31,515</b>	-
Spectra-Socio Ec	44	<b>50,000</b>	-
Site C	46	<b>648</b>	-
Site C - CEAA Clean Energy Project	47	<b>7,339</b>	-
Site C - Impact Benefit Agreement Negotiations	48	<b>45,309</b>	-
Site C - Mitigation & Monitoring Plans	49	<b>20,458</b>	-
<b>Total industry Agreements</b>		<b>1,602,157</b>	24,470
Band Owned Companies			
Doig River Cattle Limited Partnership	51	<b>107,194</b>	170,610
Fort St. John Property	52	<b>37,746</b>	25,695
6 Nations	53	<b>5,258</b>	-
<b>Total Band Owned Companies</b>		<b>150,198</b>	196,305
Lands and Resources			
Lands office	56	<b>1,373,193</b>	1,591,477
Summer Students - Land	57	<b>1,998</b>	-
ATK - Cairbou Study	58	<b>9,093</b>	-
LTOGA - Reclamation Plant	59	<b>19,341</b>	-
Tribal Park	60	<b>54,983</b>	-
<b>Total Lands and Resources</b>		<b>1,458,608</b>	1,591,477
Other			
Tobacco sales	62	<b>69,939</b>	36,594
Election	63	<b>8,298</b>	8,023
Doig Days	64	<b>100</b>	-
Doig River Rodeo	65	<b>108,312</b>	61,320
New Relationship Trust	66	<b>29,435</b>	-
NENAS Training and Employment Programs	67	<b>26,480</b>	-
Social housing	68	<b>154,951</b>	159,707
Band owned housing	69	<b>277,995</b>	233,440
Cultural	70	<b>-</b>	50,421
Adult recreation	71	<b>596</b>	2,144
Forestry/DRT	72	<b>234,710</b>	136,425
Specific and Special Claims	73	<b>-</b>	56,017
<b>Total Other</b>		<b>910,816</b>	744,091
<b>Total expenses</b>		<b>7,395,115</b>	6,017,333

*The accompanying notes are an integral part of these financial statements*

**Doig River First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015</b>	<b>2014</b> (Restated)
<b>Operating surplus (deficit) before other items</b>		<b>1,279,766</b>	(314,254)
<b>Other income (expense)</b>			
Gain (loss) on disposal of capital assets		(7,389)	(3,347)
Reversal of unclaimed trust distributions		-	245,216
Income allocations from Nation Businesses		(43,845)	448,171
		<b>(51,234)</b>	690,040
<b>Operating surplus</b>		<b>1,228,532</b>	375,786
<b>Accumulated operating surplus, beginning of year, as previously stated</b>		<b>3,516,874</b>	4,176,621
Correction of an error (Note 2)		-	(1,035,533)
<b>Accumulated operating surplus, beginning of year, as restated</b>		<b>3,516,874</b>	3,141,088
<b>Accumulated operating surplus, end of year</b>		<b>4,745,406</b>	3,516,874

**Doig River First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2015*

	<b>2015</b>	<b>2014</b> (Restated)
<b>Annual operating surplus</b>	<b>1,228,532</b>	375,786
Purchases of tangible capital assets	(245,169)	(927,256)
Amortization of tangible capital assets (Schedule 1)	474,255	461,226
Loss on sale of tangible capital assets	7,389	3,347
Proceeds of disposal of tangible capital assets	43,441	5,500
Correction of error	-	(1,035,533)
Acquisition of prepaid expenses	-	(4,843)
Use of prepaid expenses	174	-
<b>Decrease in net financial assets</b>	<b>1,508,622</b>	(1,121,773)
<b>Net debt, end of year</b>	<b>(7,761,807)</b>	(9,270,429)

**Doig River First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2015*

	<b>2015</b>	<b>2014</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Operating surplus	1,228,532	375,786
Non-cash items		
Amortization	474,255	461,226
Loss on disposal of capital assets	7,389	3,347
A.A.N.D.C. capital and revenue trust funds re-invested	(1,683)	(2,718)
Income re-invested in Nation's businesses	(412,687)	(448,171)
	1,295,806	389,470
Changes in working capital accounts		
Accounts receivable	(468,025)	(273,685)
Prepaid expenses	174	(4,843)
Advances and loans to members	(13,166)	64,325
Accounts payable and accruals	149,436	(389,761)
Contributions carried forward	(282,848)	231,137
	681,377	16,643
<b>Financing activities</b>		
Advances of long term debt	-	414,345
Net repayment of long term debt	(138,776)	-
Net advance (repayment) of A.A.N.D.C Treaty Land Entitlement	151,032	(12,060)
EBA trust loan repayment	(84,590)	(91,210)
Net advance (repayment) of S.E.D. Loan	515,237	(80,000)
	442,903	231,075
<b>Investing activities</b>		
Purchases of tangible capital assets	(245,169)	(927,256)
Proceeds of disposal of tangible capital assets	43,441	5,500
Advances to Nation businesses	-	13,346
	(201,728)	(908,410)
<b>Increase (decrease) in cash resources</b>	<b>922,552</b>	<b>(660,692)</b>
<b>Cash resources, beginning of year</b>	<b>716,261</b>	<b>1,376,953</b>
<b>Cash resources, end of year</b>	<b>1,638,813</b>	<b>716,261</b>
<b>Cash resources are composed of:</b>		
Cash	1,468,298	563,254
Restricted cash	170,515	153,007
	1,638,813	716,261

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**1. Significant accounting policies**

The consolidated financial statements of the Doig River First Nation ("the First Nation") are the representations of management, and are prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of CPA Canada are consistent with accounting policies set out by the Department of Aboriginal Affairs and Northern Development Canada. These consolidated financial statements are subject to review by the Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews. Significant aspects of the accounting policies adopted by the First Nation are as follows:

***Basis of presentation and revenue recognition***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Unrestricted government transfers are recognized when they become receivable under the terms of applicable funding agreements. Restricted government transfers are deferred and recognized as revenue in the period in which the resources are used for the purposes specified.

Oil and gas royalties are paid in trust to the Government of Canada on behalf of the Doig River First Nation pursuant to the provisions of the Indian Oil and Gas Act and Regulations. This revenue is recognized in the accounts of the Doig River First Nation when reported by the Government of Canada.

Resource and M.O.U. revenue are recognized as they become receivable under the terms of the resource agreement or M.O.U.

***Reporting entity      consolidated***

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business entities not dependent on the Nation for their continuing operations.

The Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Doig River Cattle L.P.
- Doig River Not For Profit Trust

Doig River First Nation business entities, owned or controlled by the Nation's Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Six Nations Ventures L.P. - 16.6%
- Alamo Contracting L.P.
- Doig River Timber L.P.

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**1. Significant accounting policies** *(Continued from previous page)*

***Tangible capital assets***

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

***Amortization***

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost, less residual value, of the assets over their estimated useful lives.

	<b>Method</b>	<b>Rate</b>
Housing	declining balance	5 %
Infrastructure	declining balance	4 %
Buildings	declining balance	4 %
Buildings - D.R.C.C.	declining balance	4 %
Land - D.R.C.C.	none	0 %
Land - Fort St. John	none	0 %
Land - Traplines	none	0 %
Equipment	declining balance	20 %
Automotive equipment	declining balance	20 %
Computer equipment	declining balance	30 %

***Long-lived assets and discontinued operations***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Any impairment is included in surplus for the year.

***Asset classification***

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

***Net financial assets (net debt)***

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

***Use of estimates***

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

Accounts receivable, and advances and loans to members, are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**1. Significant accounting policies** *(Continued from previous page)*

***Segments***

The Nation conducts its business through 8 reportable segments:

A.A.N.D.C

Province of British Columbia

First Nations Health Authority

Trust Funded Programs

Industry Agreements

Band Owned Companies

Lands and Resources

Other

These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in this Note.

***Financial instruments***

The Nation recognizes its financial instruments when the Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Nation subsequently measures investments in equity instruments quoted in an active market, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Management considers whether the investee has experienced continued losses for a period of years in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**1. Significant accounting policies** *(Continued from previous page)*

**A.A.N.D.C capital and revenue trust funds**

Funds held in trust on behalf of Nation members by the Government of Canada are reported on the statement of financial position with an offsetting amount in accumulated operating surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**2. Correction of an error**

In 2014, the Nation determined that it should not be consolidating the Doig River SED Trust, the Doig River Permanent Trust nor its portion of the Treaty 8 Heritage Trust as the Chief and Council do not directly control on these entities. The retroactive application of this change was: Nation trust assets were reduced by \$40,835,075; Trust distributions due to members are reduced by \$9,233,626; Accumulated surplus, beginning of the year is reduced by \$30,807,942; remeasurement gains (losses) are reduced by \$793,507; and Surplus of receipts over disbursements from the Increase (decrease) in net assets of Settlement trust funds is reduced by \$426,183.

During the year, as a result of the above correction that the Nation should have also shown the S.E.D. - Alamo Contracting L.P. loan payable in the amount of \$1,035,533 resulting in a decrease of Accumulated surplus, beginning of the year of \$1,035,533.

**3. Accounts receivable**

	<b>2015</b>	<b>2014</b>
Oil companies	773,449	212,120
A.A.N.D.C.	36,210	16,282
Other	270,798	452,913
CMHC	7,397	2,528
Allowance for doubtful accounts	(169,429)	(233,443)
	<b>918,425</b>	<b>450,400</b>

**4. Restricted cash**

Restricted cash includes:

	<b>2015</b>	<b>2014</b>
CMHC replacement reserve bank account balance	170,515	153,007

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**5. Advances and loans to members**

Member loans are valued at net realizable value in keeping with accounting standards. This is strictly an accounting valuation and does not reflect the collection policy of the First Nation. Doig River First Nation management has been given the directive to collect all amounts due.

	2015	2014
General member loans	663,380	653,799
Member user fees due	909,209	759,291
Allowance for doubtful accounts	(1,453,685)	(1,307,352)
	<b>118,904</b>	<b>105,738</b>

**6. Investment in Venturion Oil Limited - at cost**

Doig River First Nation purchased 285,714 common shares of Venturion Oil Limited. As Doig River First Nation does not have significant influence in Venturion Oil Limited this has been recorded at cost.

	2015	2014
Venturion Oil Limited - 285,714 common shares	<b>500,000</b>	-

**7. Investments in Nation businesses**

The Nation has investments in the following entities:

	Net contributions and (draws)	Current contributions and (draws)	Opening accumulated earnings (loss)	Current earnings (loss)	2015
	Net contributions and (draws)	Current contributions and (draws)	Opening accumulated earnings (loss)	Current earnings (loss)	Total investment
<b>Nation Business</b>					
Six Nation Ventures L.P. 16.6%	20	-	357,969	9,601	367,590
Doig River Timber L.P. 100%	(78,691)	(31,725)	679,452	(58,930)	510,106
Alamo Contracting L.P. 100%	1,237,691	(11,744)	(1,062,084)	5,483	169,346
	<b>1,159,020</b>	<b>(43,469)</b>	<b>(24,663)</b>	<b>(43,846)</b>	<b>1,047,042</b>
	Net contributions and (draws)	Current contributions and (draws)	Opening accumulated earnings (loss)	Current earnings (loss)	2014
	Net contributions and (draws)	Current contributions and (draws)	Opening accumulated earnings (loss)	Current earnings (loss)	Total investment
<b>Nation Business</b>					
Six Nation Ventures L.P. 16.6%	20	-	287,446	70,523	357,989
Doig River Timber L.P. 100%	(78,687)	-	468,609	210,838	600,760
Alamo Contracting L.P. 100%	1,251,014	(13,345)	(1,228,872)	166,810	175,607
	<b>1,172,347</b>	<b>(13,345)</b>	<b>(472,817)</b>	<b>448,171</b>	<b>1,134,356</b>

*Continued on next page*

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**7. Investments in Nation businesses (Continued from previous page)**

Condensed financial information for each entity for their respective year end is as follows:

	<i>Six Nation Ventures L.P. - 16.6%</i> <i>As at December 31, 2014</i>	<i>Doig River Timber L.P. - 100%</i> <i>As at March 31, 2015</i>	<i>Alamo Contracting L.P. - 100%</i> <i>As at March 31, 2015</i>	<i>Totals</i> <i>As at March 31, 2015</i>
<b>Assets</b>				
Current assets	203,228	225,445	310,610	739,283
Long term assets	180,301	513,707	125,174	819,182
<b>Total assets</b>	<b>383,529</b>	<b>739,152</b>	<b>435,784</b>	<b>1,558,465</b>
<b>Liabilities</b>				
Current liabilities	15,939	80,145	96,436	192,520
Long term liabilities	-	148,901	170,000	318,901
<b>Total liabilities</b>	<b>15,939</b>	<b>229,046</b>	<b>266,436</b>	<b>511,421</b>
<b>Partner capital</b>	<b>367,590</b>	<b>510,106</b>	<b>169,348</b>	<b>1,047,044</b>
<b>Total revenue</b>	<b>323,116</b>	<b>1,503,846</b>	<b>885,534</b>	<b>2,712,496</b>
<b>Total expenses</b>	<b>313,515</b>	<b>1,562,776</b>	<b>880,049</b>	<b>2,756,340</b>
<b>Net income (loss)</b>	<b>9,601</b>	<b>(58,930)</b>	<b>5,485</b>	<b>(43,844)</b>

Doig River First Nation has a 100% interest in Doig River Timber Limited Partnership through Two Rivers Development Corporation, which holds the assets as a trustee. The net earnings shown on these schedules is the 100% interest calculated on an accrual basis and does not represent actual distributions made to Doig River First Nation.

Doig River First Nation has a 16.6% interest in Six Nations Ventures Limited Partnership through Two Rivers Development Corp., which holds the assets as a trustee. The net earnings shown on these schedules is the 16.6% interest calculated on an accrual basis and does not represent actual distributions made to Doig River First Nation.

Doig River First Nation has a 100% interest in Alamo Contractors Limited Partnership through Two Rivers Development Corp., which holds the assets as a trustee. The net earnings shown on these schedules is the 100% interest calculated on an accrual basis and does not represent actual disbursements made to Doig River First Nation.

Advances to these entities are unsecured, non-interest bearing and are due on demand.

**8. A.A.N.D.C. capital and revenue trust funds**

Capital and revenue trust moneys are transferred to the Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the Nation's Council.

	<i>2015</i>	<i>2014</i>
<b>Capital Trust</b>		
Balance, beginning of year	64,352	64,352
Balance, end of year	64,352	64,352
<b>Revenue Trust</b>		
Balance, beginning of year	5,518	2,800
Interest and land leases	1,683	2,718
Balance, end of year	7,201	5,518
	<b>71,553</b>	<b>69,870</b>

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**9. Doig Not For Profit Trust assets**

Included in the Doig Not For Profit Trust assets of \$176,608 (2014 - \$176,608) is the following loan due from Alamo Contracting L.P.:

- In year ended March 31, 2009, the Doig Not For Profit Trust (N.F.P.) loaned Alamo Contracting L.P. \$170,000. There are no set terms for repayment.

**10. Accounts payable**

	<b>2015</b>	<b>2014</b>
Trade payables and accruals	723,277	553,025
Chief and Council accumulated severance	163,569	135,641
Payroll related	80,549	78,497
A.A.N.D.C	53,873	104,670
	<hr/>	<hr/>
	1,021,268	871,833

**11. Contributions carried forward**

	<b>2015</b>	<b>2014</b>
Family Support Worker	106,881	50,010
Headstart	85,831	44,310
OGC prepaid rent revenue	50,000	-
HROW - Elders	-	125,400
HROW - Housing	-	99,000
HROW - Education	-	60,000
S.E.D. Trust O&M revenue	-	51,837
HROW - Land acquisition	-	36,298
HROW - Medical	-	24,471
Other	-	17,761
Ministry of Children and Family Development	-	16,473
	<hr/>	<hr/>
	242,712	525,560

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**12. Long term debt**

	<b>2015</b>	<b>2014</b>
Farm Credit Canada (FCC) Mortgage repayable at \$47,914 annually, including interest at 3.95%, due April 2017	<b>651,746</b>	672,821
Band Housing - Royal Bank Loan repayable at \$3,110 monthly, including interest at 2.99% due February 2020, secured by AANDC Ministerial guarantee	<b>654,962</b>	595,044
Farm Credit Canada (FCC) - interest is payable as incurred at FCC variable rate (3.95%) and the principle is repayable on April 2017	<b>500,000</b>	500,000
Farm Credit Canada (FCC) - interest is payable as incurred at FCC variable rate (4.25%) and the principle is repayable on April 2017	<b>500,000</b>	500,000
Band Housing - CIBC Mortgage repayable at \$3,325 monthly, including interest at 3.99%, due August 2016, secured by AANDC Ministerial guarantee	<b>447,642</b>	468,893
Band Housing - CIBC Mortgage repayable at \$2,279 monthly, including interest at 5.24%, due August 2017, secured by AANDC Ministerial guarantee	<b>221,924</b>	235,288
Band Housing - CIBC Mortgage repayable at \$1,526 monthly, including interest at 3.99%, due August 2016, secured by AANDC Ministerial guarantee	<b>204,644</b>	215,232
Band Housing - CIBC Mortgage repayable at \$1,761 monthly, including interest at 4.44%, due September 2017, secured by AANDC Ministerial guarantee	<b>186,318</b>	196,438
Social Housing - Royal Bank Mortgage repayable at \$3,347 monthly, including interest at 2.93%, due December 2018, secured by AANDC Ministerial guarantee	<b>177,923</b>	220,800
Band Housing - Royal Bank Mortgage repayable at \$2,064 monthly, including interest at 2.82%, due March 2018, secured by AANDC Ministerial guarantee	<b>177,247</b>	196,730
Social Housing - All Nations Trust Company Mortgage repayable at \$1,346 monthly, including interest at 2.69%, due January 2018, secured by AANDC Ministerial guarantee	<b>44,154</b>	58,957
Farm Credit Canada (FCC) Mortgage repayable at \$19,180 annually, including interest at 5.50%, due April 2016	<b>35,417</b>	51,751
Social Housing - Royal Bank Mortgage repayable at \$2,457 monthly, including interest at 2.27%, due September 2015, secured by AANDC Ministerial guarantee	<b>14,636</b>	43,435
	<b>3,816,613</b>	3,955,389

All Farm Credit Corporation of Canada (FCC) loans are secured by land held in the name of Doig River Cattle Company Ltd. with a net book value of \$2,699,320 (2014 - \$2,699,320). The Nation has also guaranteed payment to the FCC up to \$1,000,000.

Some mortgages are secured by guarantees from A.A.N.D.C. up to \$1,236,838 (2014 - \$1,363,007).

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
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**11. Long term debt** *(Continued from previous page)*

Principal repayments on long term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

	<b>Principal</b>
2016	202,813
2017	195,505
2018	1,184,241
2019	177,656
Thereafter	2,056,398
	<hr/>
	3,816,613

**13. A.A.N.D.C. Treaty Land Entitlement debt**

Doig River First Nation is negotiating a Treaty Land Entitlement (TLE) claim and Highway Right of Way (HROW) claim with the Government of Canada. A.A.N.D.C. has made loans to assist the Nation fund these negotiations. Should a loan become due and payable while the claim is still in negotiation, the loan repayment date will be extended for five years or a period deemed appropriate to coincide with the anticipated claim settlement date.

There are nine components to the loans:

TLE component one, with a balance of \$947,454, is repayable on the earlier of March 31, 2020 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component two, with a balance of \$383,039, is repayable on the earlier of March 31, 2017 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component three, with a balance of \$639,301, is repayable on the earlier of March 31, 2018 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component four, with a balance of \$691,331 is repayable on the earlier of March 31, 2019 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component five, with a balance of \$946,390 is repayable on the earlier of March 31, 2020 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component six, with a balance of \$1,089,201 is repayable on the earlier of March 31, 2016 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component seven, with a balance of \$450,885 is repayable on the earlier of March 31, 2017 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component eight, with a balance of \$449,824 is repayable on the earlier of March 31, 2018 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

TLE component nine, with a balance of \$151,032 is repayable on the earlier of March 31, 2019 or the date on which the claim is settled. The loan is interest free unless the First Nation defaults or the loans reach maturity.

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**14. Due to Doig S.E.D. Trust**

Included in the Doig S.E.D. Trust assets are loans due from Doig River First Nation.

	<b>2015</b>	<b>2014</b>
		<i>(Restated)</i>
	\$	\$
S.E.D. - Alamo Contracting L.P.	1,022,034	1,035,533
S.E.D. - Doig Loan	647,236	120,000
	<b>1,670,770</b>	<b>1,155,533</b>

During the current year the Doig S.E.D. Trust loaned Doig River First Nation \$550,000 which bears no interest and is payable as soon as the funds are available.

During the previous year the Doig S.E.D. Trust loaned Doig River First Nation \$120,000 which bears no interest and is payable as soon as the funds are available.

The S.E.D. - Alamo Contracting Limited Partnership loan bears no interest and is payable as soon as the funds are available.

**15. Treaty 8 loan payable**

Previously, the Nation borrowed funds from Treaty 8 Heritage Trust to invest in EBA Development Corporation.

The loan carries a 5% per annum interest rate on the outstanding principal balance. Repayments are to be deducted from annual distributions made by the Trust to the Nation in a blended payment of principal and interest. Balance was repaid in the current year.

**Doig River First Nation**  
**Notes to the Consolidated Financial Statements**  
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**16. Financial Instruments**

The Nation as part of its operations carries a number of financial instruments. It is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

***Risk Management Policy***

The Nation, as part of operations, has established risk management objectives such as avoidance of undue concentrations of risk. In seeking to meet these objectives, the Nation follows a risk management policy approved by Chief and Council.

***Credit Risk***

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

***Risk management***

The Nation manages its credit risk by provides allowances for potentially uncollectible accounts receivable.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Nation is exposed to interest rate risk with respect to its bank indebtedness and certain long-term debt amounts which are subject to floating interest rates. The Nation is exposed to significant interest rate price risk with respect to certain long-term debt amounts which bear interest at rates agreed upon at the time of issuance

**17. Comparative figures**

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