

Doig River First Nation
Consolidated Financial Statements
March 31, 2016

Doig River First Nation
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For the year ended March 31, 2016

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Management's Responsibility

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 Professional 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.

July 28, 2016

Originally signed by Shona Nelson

Administrator

Independent Auditors' Report



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, 2016 and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year ended 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.

Opinion

In our opinion, the consolidated financial statements present fairly in all material respects the financial position of Doig River First Nation as at March 31, 2016 and the results of its operations, change in net debt and its cash flows for the year ended then ended in accordance with Canadian public sector accounting standards.

Edmonton, Alberta

July 28, 2016

Chartered Professional Accountants



Doig River First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2016

	<i>Schedules</i>	2016 Budget	2016	2015
Revenue				
Indigenous and Northern Affairs Canada		1,665,980	1,233,024	1,151,623
OGC revenue		658,124	748,724	658,124
Health Canada		350,190	344,958	228,626
C.M.H.C. Subsidy		35,000	28,235	47,990
NENAS, FNEESC, & First Peoples Heritage grants		5,000	5,000	25,963
Health Canada deficit reimbursement		-	-	14,792
Province of British Columbia		210,000	122,496	104,603
TCPL revenue		1,065	1,065	1,197,000
Other revenue		5,065,158	4,319,447	1,111,897
CH2M revenue		-	-	878,048
Spectra revenue		50,000	50,000	685,000
Oil company income		503,014	443,695	569,002
EBA / Treaty 8 Heritage Trust revenue		-	-	400,000
H.R.O.W. Trust Revenue		-	-	345,169
Permanent trust band benefits allocation		125,000	250,000	340,180
User fees		258,600	258,351	258,600
Capacity agreement		707,311	707,311	250,324
Site C revenue		247,388	373,703	130,000
Company sponsorship and donations		66,500	204,497	128,477
Social Economic Development trust allocation		217,522	217,522	60,937
RRSA income		15,859	15,859	40,618
Grant		-	-	25,306
Cattle revenue		32,000	24,038	20,919
Band revenue funds		-	1,472	1,683
		10,213,711	9,349,397	8,674,881

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Doig River First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2016

	Schedules	2016 Budget	2016	2015
<i>(Continued from previous page)</i>		10,213,711	9,349,397	8,674,881
Program expenses				
INAC				
Band administration	4	980,560	712,400	566,373
Social assistance	5	374,028	446,769	393,481
Public works	6	145,381	185,848	195,584
Capital program	7	-	471,068	461,075
INAC Economic Development	8	21,885	26,595	17,660
TLE - Claim Expenditures	9	62,200	69,248	89,316
TLE - Trapline	10	-	-	109,326
TLE - Agriculture	11	3,000	2,956	39,406
TLE - Clearing	12	-	-	14,856
Mineral Rights General Expense	13	44,210	51,305	58,839
General Education	14	34,085	33,855	19,992
Post Secondary Education	15	111,982	127,927	97,536
Housing Policy	16	-	-	47,200
West Coast Energy E&A	17	-	-	50,000
CORP - Commercial Development	18	107,611	106,848	123,800
P&ID	19	30,872	31,153	20,000
Facilities	20	142,579	109,280	22,477
CPMS11682 Lagoon Sludge Removal	21	96,898	90,511	-
CPMS#11676 Well Decommissioning	22	443,875	13,340	-
Major Renos Extensions & Repairs	23	166,064	170,698	-
Total INAC		2,765,230	2,649,801	2,326,921
Province of British Columbia				
EBA New Negotiations	25	150,000	100,101	16,917
MCFD-FSW Funds	26	60,000	22,496	19,602
Pipeline Negotiations	27	6,500	12,517	105,411
EBA Interim	28	600,000	332,323	-
Class 1 Driver Training	29	46,800	44,010	-
BC Pipeline Benefit Agreement	30	464,000	121,769	-
Total Province of British Columbia		1,327,300	633,216	141,930
First Nations Health Authority				
Health services	34	379,710	352,110	259,628
Total First Nations Health Authority		379,710	352,110	259,628
Trust Funded Programs				
Trust fund programs	36	421,000	413,236	544,857
Total Trust Funded Programs		421,000	413,236	544,857

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, 2016

	Schedules	2016 Budget	2016	2015
Industry Agreements				
Petro West Landfill	38	272,000	270,824	75,877
Conoco Phillips	39	60,000	75,359	41,116
Cultural - Pattern Agreement	40	5,000	5,000	10,709
TCPL-TLUS	41	8,645	8,563	146,742
TCPL_PRGT - TLUS	42	1,065	1,065	103,370
TCPL-LNG	43	9,930	9,902	362,383
TCPL_PRGT - LNG	44	-	-	388,151
TCPL-Socio Ec	45	-	-	50,000
Spectra-TLUS	46	400	51,697	215,233
Spectra-FNITR	47	250	244	53,307
Spectra - LNG West Coast Gas Connector Negotiations	48	2,550	2,325	31,515
Spectra-Socio Ec	49	-	-	50,000
Site C - Archeology Work	51	79,000	66,869	648
Site C - CEEA Clean Energy Project	52	3,000	2,753	7,339
Site C - Impact Benefit Agreement Negotiations	53	195,000	192,578	45,309
Site C - Mitigation & Monitoring Plans	54	70,000	72,610	20,458
Litigation	55	353,361	236,292	-
Shell - RSEA	56	10,000	8,306	-
Amisk Dam - Capacity	57	20,000	19,929	-
NGTL	58	134,900	251,155	-
Towerbirch	59	129,920	75,260	-
Merrick (TCPL)	60	249,961	151,208	-
Site C Custom Consultation - BC Hydro	61	75,000	75,000	-
Site C - CCP - BC Hydro	62	40,000	4,800	-
Site C - TLUS	63	359,904	184,528	-
Site C - Custom Consultation - BC	64	235,000	156,770	-
Site C - Communication Commit	65	5,000	1,900	-
Site C - Culture & Heritage	66	10,000	4,902	-
TCPL_PRGT - IBA	67	330,000	77,000	-
TCPL_CGL - IBA	68	330,000	77,000	-
TCPL_PRGT - Socia Ec	69	2,500	2,187	-
TCPL_PRGT - FNITR	70	1,800	1,760	-
Greenhouse Project	71	35,000	34,170	-
Business Development	72	250,000	221,222	-
Cultural - Special Projects	73	2,000	15,400	-
Total industry Agreements		3,281,186	2,358,578	1,602,157
Band Owned Companies				
Doig River Cattle Limited Partnership	76	178,434	111,247	107,194
Fort St. John Property	77	18,679	36,394	37,746
6 Nations	78	9,000	5,445	5,258
Two Rivers Development Corp	79	556	556	-
Total Band Owned Companies		206,669	153,642	150,198
Lands and Resources				
Lands office	81	1,548,014	1,566,099	1,373,193
Summer Students - Land	82	-	-	1,998
ATK - Cairbou Study	83	3,550	3,523	9,093
LTOGA - Reclamation Plant	84	-	-	19,341
Tribal Park	85	39,700	15,990	54,983
OGC Liasion Position	87	58,124	68,395	-
Moose Management	88	100,000	90,134	-
Total Lands and Resources		1,749,388	1,744,141	1,458,608

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, 2016

	<i>Schedules</i>	2016 Budget	2016	2015
Other				
Tobacco sales	90	52,000	73,409	69,939
Election	91	7,500	7,500	8,298
Doig Days	92	-	-	100
Doig River Rodeo	93	71,500	143,747	108,312
New Relationship Trust	94	606	606	29,435
NENAS Training and Employment Programs	95	52,297	47,365	26,480
Social housing	96	196,600	181,672	154,951
Band owned housing	97	338,000	314,390	277,995
MCCAWS - Giving Voices	98	12,000	3,875	-
Adult recreation	99	2,000	3,477	596
Forestry/DRT	100	156,358	-	234,710
NGTL-NEB	101	20,222	11,771	-
First Nations Financial Mgmt Board	102	10,000	7,525	-
Total Other		919,083	795,337	910,816
Total expenses		11,049,566	9,100,061	7,395,115
Surplus (deficit) before other items		(835,855)	249,336	1,279,766
Other income (expense)				
Gain (loss) on disposal of capital assets		-	-	(7,389)
Income allocations from Nation Businesses		-	(61,178)	(43,845)
		-	(61,178)	(51,234)
Surplus (deficit)		(835,855)	188,158	1,228,532
Accumulated surplus, beginning of year ended		-	4,745,406	3,516,874
Accumulated surplus, end of year ended		(835,855)	4,933,564	4,745,406

The accompanying notes are an integral part of these financial statements

Doig River First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2016

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
Annual surplus	(835,855)	188,158	1,228,532
Purchases of tangible capital assets	-	(108,384)	(245,169)
Amortization of tangible capital assets (Schedule 1)	11,000	481,769	474,255
Loss on sale of tangible capital assets	-	-	7,389
Proceeds of disposal of tangible capital assets	-	-	43,441
Use of prepaid expenses	-	34,140	174
Decrease in net financial assets	(824,855)	595,683	1,508,622
Net debt, beginning of year	-	(7,761,807)	(9,270,429)
Net debt, end of year	(824,855)	(7,166,124)	(7,761,807)

The accompanying notes are an integral part of these financial statements

Doig River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2016

	2016	2015
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	188,158	1,228,532
Non-cash items		
Amortization	481,769	474,255
Loss on disposal of capital assets	-	7,389
I.N.A.C. capital and revenue trust funds re-invested	(1,472)	(1,683)
Income re-invested in Nation's businesses	(2,784)	(412,687)
	665,671	1,295,806
Changes in working capital accounts		
Accounts receivable	(79,131)	(468,025)
Prepaid expenses	34,140	174
Advances and loans to members	96,288	(13,166)
Accounts payable and accruals	(259,385)	149,436
Contributions carried forward	(84,419)	(282,848)
	373,164	681,377
Financing activities		
Repayment of current portion of long term debt	(214,006)	(138,776)
Net advance (repayment) of I.N.A.C Treaty Land Entitlement	-	151,032
EBA trust loan repayment	-	(84,590)
Net advance (repayment) of S.E.D. Loan	(116,927)	515,237
	(330,933)	442,903
Investing activities		
Purchases of tangible capital assets	(108,384)	(245,169)
Proceeds of disposal of tangible capital assets	-	43,441
	(108,384)	(201,728)
Increase (decrease) in cash resources	(66,153)	922,552
Cash resources, beginning of year	1,638,813	716,261
Cash resources, end of year	1,572,660	1,638,813
Cash resources are composed of:		
Cash	1,392,538	1,468,298
Restricted cash	180,122	170,515
	1,572,660	1,638,813

The accompanying notes are an integral part of these financial statements

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 Indigenous and Northern Affairs 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 First Nation reporting entity, except for First Nation business entities not dependent on the Nation for their continuing operations.

The First 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 First Nation's Council but not dependent on the First 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 First Nation. Thus, the First 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.

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.

	<i>Method</i>	<i>Rate</i>
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 ended.

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 First Nation's consolidated 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 First 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. Actual results may vary from current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in income in the periods in which they become known.

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. Investment in Nation business entities is stated after evaluation as to valuation and collectability of advances. Amortization is based on the estimated useful lives of tangible capital assets.

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

Segments

The First Nation conducts its business through 8 reportable segments:

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

The First 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, 2016

1. Significant accounting policies (Continued from previous page)

I.N.A.C capital and revenue trust funds

Funds held in trust on behalf of First 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 First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

2. Accounts receivable

	2016	2015
Oil companies	619,662	773,449
I.N.A.C.	-	36,210
Other	847,393	270,798
CMHC	2,311	7,397
Province of Alberta	65,000	-
Allowance for doubtful accounts	(536,810)	(169,429)
	997,556	918,425

3. Restricted cash

Restricted cash includes:

	2016	2015
CMHC replacement reserve bank account balance	180,122	170,515

Doig River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

4. 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.

	2016	2015
General member loans	617,843	663,380
Member user fees due	1,065,818	909,209
Allowance for doubtful accounts	(1,661,045)	(1,453,685)
	22,616	118,904

5. 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.

	2016	2015
Venturion Oil Limited - 285,714 common shares	500,000	500,000

6. 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)	2016 Total investment
Nation Business					
Six Nation Ventures L.P. 16.6%	20	-	367,570	26,909	394,499
Doig River Timber L.P. 100%	(110,416)	22,949	620,522	(102,717)	430,338
Alamo Contracting L.P. 100%	1,225,947	41,013	(1,056,600)	14,629	224,989
	1,115,551	63,962	(68,508)	(61,178)	1,049,826
2015					
Nation Business					
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
	1,159,020	(43,469)	(24,663)	(43,846)	1,047,042

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Doig River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

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% As at December 31, 2015</i>	<i>Doig River Timber L.P. - 100% As at March 31, 2016</i>	<i>Alamo Contracting L.P. - 100% As at March 31, 2016</i>	<i>Totals As at March 31, 2016</i>
Assets				
Current assets	217,953	273,553	406,662	898,168
Long term assets	208,906	305,741	103,415	618,062
Total assets	426,859	579,294	510,077	1,516,230
Liabilities				
Current liabilities	59,269	110,589	115,087	284,945
Long term liabilities	-	38,367	170,000	208,367
Total liabilities	59,269	148,956	285,087	493,312
Partner capital	367,590	430,338	224,990	1,022,918
Total revenue	329,033	227,029	678,854	1,234,916
Total expenses	302,124	329,746	664,225	1,296,095
Net income (loss)	26,909	(102,717)	14,629	(61,179)

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.

7. I.N.A.C. capital and revenue trust funds

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

	2016	2015
Capital Trust		
Balance, beginning of year	64,352	64,352
Balance, end of year	64,352	64,352
Revenue Trust		
Balance, beginning of year	7,201	5,518
Interest and land leases	1,472	1,683
Balance, end of year	8,673	7,201
	73,025	71,553

Doig River First Nation
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8. Doig Not For Profit Trust assets

Included in the Doig Not For Profit Trust assets of \$176,608 (2015 - \$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.

9. Accounts payable

	2016	2015
Trade payables and accruals	632,609	723,277
Chief and Council accumulated severance	45,867	163,569
Payroll related	78,822	80,549
I.N.A.C.	4,585	53,873
	761,883	1,021,268

10. Contributions carried forward

	2016	2015
Family Support Worker	89,385	106,881
Headstart	68,908	85,831
OGC prepaid rent revenue	-	50,000
	158,293	242,712

Doig River First Nation
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11. Long term debt

	2016	2015
Farm Credit Canada (FCC) Mortgage repayable at \$47,914 annually, including interest at 3.95%, due April 2017	630,250	651,746
Band Housing - Royal Bank Loan repayable at \$3,110 monthly, including interest at 2.99% due February 2020, secured by AANDC Ministerial guarantee	636,979	654,962
Farm Credit Canada (FCC) - interest is payable as incurred at FCC variable rate (3.95%) and the principle is repayable on April 2017	500,000	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	500,000	500,000
Band Housing - CIBC Mortgage repayable at \$3,325 monthly, including interest at 3.99%, due August 2016, secured by AANDC Ministerial guarantee	424,541	447,642
Band Housing - CIBC Mortgage repayable at \$2,279 monthly, including interest at 5.24%, due August 2017, secured by AANDC Ministerial guarantee	203,430	221,924
Band Housing - CIBC Mortgage repayable at \$1,526 monthly, including interest at 3.99%, due August 2016, secured by AANDC Ministerial guarantee	194,874	204,644
Band Housing - CIBC Mortgage repayable at \$1,761 monthly, including interest at 4.44%, due September 2017, secured by AANDC Ministerial guarantee	165,971	186,318
Social Housing - Royal Bank Mortgage repayable at \$3,347 monthly, including interest at 2.93%, due December 2018, secured by AANDC Ministerial guarantee	142,492	177,923
Band Housing - Royal Bank Mortgage repayable at \$2,064 monthly, including interest at 2.82%, due March 2018, secured by AANDC Ministerial guarantee	157,223	177,247
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	28,746	44,154
Farm Credit Canada (FCC) Mortgage repayable at \$19,180 annually, including interest at 5.50%, due April 2016	18,101	35,417
Social Housing - Royal Bank Mortgage repayable at \$2,457 monthly, including interest at 2.27%, paid in full during the year, secured by AANDC Ministerial guarantee	-	14,636
	3,602,607	3,816,613

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 (2015 - \$2,699,320). The Nation has also guaranteed payment to the FCC up to \$1,000,000.

Some mortgages are secured by guarantees from I.N.A.C. up to \$1,112,405 (2015 - \$1,236,838).

Doig River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016

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:

	Principal
2017	196,381
2018	182,117
2019	1,175,519
2020	172,229
Thereafter	1,876,361
	3,602,607

12. I.N.A.C. Treaty Land Entitlement debt

Doig River First Nation is negotiating a Treaty Land Entitlement (TLE) claim with the Government of Canada. I.N.A.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, 2021 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.

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13. Due to Doig S.E.D. Trust

	2016	2015
	\$	\$
S.E.D. - Alamo Contracting L.P.	945,533	1,022,034
S.E.D. - Doig Loan	608,310	647,236
	1,553,843	1,670,770

During the current year the Doig S.E.D. Trust loaned Doig River First Nation \$nil (2015 - \$670,00) which bears no interest and is payable as soon as the funds are available. Doig River First Nation made \$38,926 in payments to Doig S.E.D Trust.

The S.E.D. - Alamo Contracting Limited Partnership loan bears no interest and is payable as soon as the funds are available. During the current year Alamo Contracting Limited Partnership made \$78,000 (2014 - \$nil) in payments to Doig S.E.D. Trust.

14. Financial Instruments

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

Risk Management Policy

The First 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 First 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 First 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

15. Comparative figures

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