

TSAY KEH DENE NATION
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

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YEAR ENDED MARCH 31, 2016

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TSAY KEH DENE

Chief Dennis Izony
Executive Director Adi Sulaeman

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Tsay Keh Dene Nation are the responsibility of management and have been approved by the Chief and 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 Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

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

The Chief and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council meet 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 auditors' report.

The external auditors, Brent Bursey & Company Inc., Chartered Professional Accountants, 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 financial management of Tsay Keh Dene Nation and meet when required.

On behalf of Tsay Keh Dene Nation:

Chief

Councillor

Councillor

INDEPENDENT AUDITORS' REPORT

To the Members of Tsay Keh Dene Nation:

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

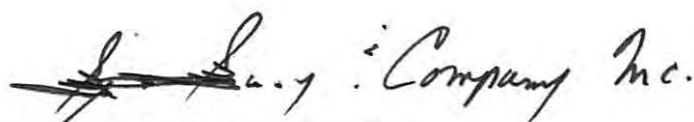
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain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

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

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

Opinion

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



Chartered Professional Accountants
October 25, 2016
Prince George, British Columbia

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash (Note 2)	\$ 875,502	\$ 1,426,997
Accounts receivable (Note 3)	2,099,073	1,649,399
Inventory for resale (Note 4)	172,459	178,224
Restricted cash (Note 5)	830,792	227,435
Guaranteed investment certificates	-	590,076
Endowment and trust funds (Note 6)	19,880,694	20,859,648
Investments in government business enterprises (Note 7)	3,864,178	4,713,905
Investments (Note 8)	168,970	219,909
Ottawa trust assets (Note 9)	36,810	34,955
	<u>27,928,478</u>	<u>29,900,548</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 10)	1,376,382	1,766,594
Deferred revenue (Note 11)	352,978	418,955
Long-term debt (Note 12)	940,936	935,581
Treaty negotiation loan (Note 13)	7,776,914	7,500,354
Replacement reserve (Note 14)	161,915	151,047
	<u>10,609,125</u>	<u>10,772,531</u>
NET FINANCIAL ASSETS	<u>17,319,353</u>	<u>19,128,017</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 15)	23,750,174	23,595,715
Prepaid assets	103,906	80,801
	<u>23,854,080</u>	<u>23,676,516</u>
ACCUMULATED SURPLUS	<u>\$ 41,173,433</u>	<u>\$ 42,804,533</u>

CONTINGENT LIABILITIES (Note 16)

The accompanying notes are an integral part of these consolidated financial statements.

Approved on behalf of Tsay Keh Dene Nation:

 Chief

 Councillor

 Councillor

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2016

	Budget	2016	2015
REVENUE			
Indigenous and Northern Affairs Canada	\$ 2,551,983	\$ 3,308,068	\$ 3,279,755
First Nations Health Authority	787,137	848,869	715,407
Province of British Columbia	248,518	586,365	301,944
BC Hydro	2,411,843	2,203,584	2,173,103
Ingenika Trading Post	-	2,043,295	1,918,243
Interest	-	35,464	408,885
Rent and other	2,321,898	1,327,723	2,278,108
Gain on disposal of tangible capital assets	-	4,319	-
Unrealized gain on investment	-	-	70,759
Income from investments in government business entities	-	180,629	1,538,571
Ottawa trust funds	-	1,855	1,907
	<u>8,321,379</u>	<u>10,540,171</u>	<u>12,686,682</u>
EXPENDITURE			
Economic development	737,568	779,631	766,041
Education and training	1,829,893	1,596,824	1,608,818
Government development and administration	1,571,834	1,917,855	1,653,087
Health services	995,503	1,030,694	1,406,564
Housing	529,064	512,838	68,796
Ingenika Trading Post	-	2,084,725	2,049,853
Public works operations and maintenance	938,482	1,132,414	1,550,297
Social and community services	1,397,046	1,225,951	748,238
Treaty claims and negotiations	351,242	348,954	461,111
Loss from investments in government business entities	-	177,135	27,426
Unrealized loss on investment	-	50,939	-
Trust management fees	-	141,185	128,854
Interest	2,000	32,936	39,559
Amortization	-	1,184,535	1,137,395
	<u>8,352,632</u>	<u>12,216,616</u>	<u>11,646,039</u>
ANNUAL (DEFICIT) SURPLUS	(31,253)	(1,676,445)	1,040,643
ACCUMULATED SURPLUS, BEGINNING OF YEAR	42,804,533	42,804,533	40,334,535
(RECOVERY) REIMBURSEMENT BY			
Indigenous and Northern Affairs Canada	(23,782)	(23,782)	-
First Nations Health Authority	-	-	95,674
DECREASE IN DEFERRED REVENUE	<u>200,000</u>	<u>69,127</u>	<u>1,333,681</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 42,949,498</u>	<u>\$ 41,173,433</u>	<u>\$ 42,804,533</u>

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED MARCH 31, 2016

	Budget	2016	2015
Annual (deficit) surplus	\$ (31,253)	\$ (1,676,445)	\$ 1,040,643
Reimbursement by First Nations Health Authority	-	-	95,674
Recovery by Indigenous and Northern Affairs Canada	(23,782)	(23,782)	-
Decrease in deferred revenue	200,000	69,127	1,333,681
	144,965	(1,631,100)	2,469,998
Acquisition of tangible capital assets	(570,000)	(1,344,675)	(1,631,875)
Amortization	-	1,184,535	1,137,395
Proceeds on disposal of tangible capital assets	-	10,000	17,030
Gain on disposal of tangible capital assets	-	(4,319)	-
	(570,000)	(154,459)	(477,450)
(Acquisition) use of prepaid expenditure	-	(23,105)	28,742
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	(425,035)	(1,808,664)	2,021,290
NET FINANCIAL ASSETS, BEGINNING OF YEAR	19,128,017	19,128,017	17,106,727
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 18,702,982</u>	<u>\$ 17,319,353</u>	<u>\$ 19,128,017</u>

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2016

	2016	2015
OPERATING TRANSACTIONS		
Annual (deficit) surplus	\$ (1,676,445)	\$ 1,040,643
Reimbursement by First Nations Health Authority	-	95,674
Recovery by Indigenous and Northern Affairs Canada	(23,782)	-
Decrease in deferred revenue	69,127	1,333,681
Items not involving cash		
Allocation to replacement reserve	10,868	10,868
Amortization	1,184,535	1,137,395
Income from government business entities	(3,494)	(1,511,145)
Gain on disposal of tangible capital assets	(4,319)	-
Unrealized loss (gain) on investment	50,939	(70,759)
	<u>(392,571)</u>	<u>2,036,357</u>
Cash (used in) provided by operating activities		
Accounts receivable	(449,674)	797,612
Inventory	5,765	(34,948)
Ottawa trust assets	(1,855)	(1,907)
Prepaid expenditure	(23,105)	28,742
Accounts payable and accrued liabilities	(390,212)	(280,711)
Deferred revenue	(65,977)	(1,332,594)
	<u>(1,317,629)</u>	<u>1,212,551</u>
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(1,344,675)	(1,631,875)
Proceeds on disposal of tangible capital assets	10,000	17,030
	<u>(1,334,675)</u>	<u>(1,614,845)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	111,440	-
Repayment of long-term debt	(106,085)	(82,986)
Proceeds of treaty loan	276,560	368,800
	<u>281,915</u>	<u>285,814</u>
INVESTING TRANSACTIONS		
Purchase of share	(1)	-
Advances to government business entities	(142,250)	(147,910)
Advances from government business entities	286,985	147,218
Withdrawals from government business entities	708,487	-
Maturity of guaranteed investment certificates	590,076	20,862
Distribution from (to) endowment and trust funds	978,954	(292,648)
	<u>2,422,251</u>	<u>(272,478)</u>
INCREASE (DECREASE) DURING YEAR	51,862	(388,958)
CASH, BEGINNING OF YEAR	1,654,432	2,043,390
CASH, END OF YEAR	\$ 1,706,294	\$ 1,654,432
Cash, consists of		
Cash	\$ 875,502	\$ 1,426,997
Restricted cash	830,792	227,435
	<u>\$ 1,706,294</u>	<u>\$ 1,654,432</u>

The accompanying notes are an integral part of these consolidated financial statements.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity and Principles of Financial Reporting

The Tsay Keh Dene Nation reporting entity includes the Tsay Keh Dene Nation government and all related entities which are either owned or controlled by the Tsay Keh Dene Nation.

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise or government business partnership, which are included in these financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Tsay Keh Dene Nation's investment in the government business enterprises or government business partnerships and their share of the entities' net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of Tsay Keh Dene Nation.

The consolidated financial statements include the following controlled entities:

- BC Hydro Trust Settlement Negotiations Agreement
- Tsay Keh Dene First Nation Negotiation Support Agreement
- Ingenika Trading Post (An Enterprise), an unincorporated business entity owned and operated by the Tsay Keh Dene Nation in the Tsay Keh Dene community

Government business enterprises, which are wholly-owned or significantly influenced by Tsay Keh Dene Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Chu-Cho Enterprises Ltd.
- Ingenika Logging Ltd.
- Tsay Keh Economic Development Corporation
- Tsay Keh Enterprises Ltd.
- Tsay Keh Holdings Ltd. (dba Tsay Keh Dene Outfitters)
- 0882074 B.C. Ltd.
- 1035969 B.C. Ltd.
- Three Feathers GP Ltd. (33.3%)

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Government business partnerships, which Tsay Keh Dene Nation holds a limited partnership interest or significant influence and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Chu Cho Industries Limited Partnership (99.99% interest)
- Tsay Keh Developments Limited Partnership (99.99% interest)
- Three Feathers Limited Partnership (33.33% interest)
- Tse Keh Nay (A Partnership) (33.33% interest)

Cash

Cash includes cash on hand, cash on deposit net of cheques issued and outstanding at the reporting date, and short-term deposits with maturity dates of less than 90 days.

Inventory

Inventory consists of goods available for sale and is valued at the lower of cost and net realizable value using the average cost method.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Transfers of tangible capital assets from related parties are recorded at carrying value.

Tangible capital assets are amortized using the declining balance method at rates calculated to amortize the cost less salvage value as follows:

Automotive equipment	30%
Buildings	4%
Computer equipment	30%
Equipment	20%
Furniture and office equipment	20%
Heavy duty equipment	30%
Housing	5%
Infrastructure	4%
Ingenika Trading Post	4-30%

In the year of acquisition, 50% of the annual amortization is expensed. Assets under construction are not amortized until the asset is available to be put into service.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Tangible Capital Assets, continued

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are accounted for in the consolidated statement of operations and consolidated statement of changes in net financial assets when they occur.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

Revenue and Expenditure

Revenue and expenditure are recorded using the accrual basis of accounting. Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. Gains are recognized when realized. Items not practically measurable until cash is received are accounted for at that time.

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

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Funding Recoveries and Reimbursements

Funding received from federal government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specified purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization, collectability of accounts receivable, and valuation of inventory. Actual results could differ from these estimates.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

2. CASH

Tsay Keh Dene Nation has a demand revolving credit facility agreement with the Royal Bank of Canada for \$200,000 bearing interest at prime plus 0.75% per annum. This facility revolves in increments of \$10,000 and is secured by a general security agreement and a first ranking security interest in all accounts receivable. At March 31, 2016 the full \$200,000 was available.

3. ACCOUNTS RECEIVABLE

	2016	2015
Government:		
Indigenous and Northern Affairs Canada	\$ 358,632	\$ 30,000
Canada Revenue Agency - GST/HST	304,828	221,615
Other federal government	28,326	-
First Nations Health Authority	5,004	-
Province of British Columbia	134,544	-
	<u>831,334</u>	<u>251,615</u>
Trade	429,901	374,313
Tsay Keh Dene Nation members	1,040,256	1,194,189
Other	14,918	42,861
	<u>2,316,409</u>	<u>1,862,978</u>
Less: allowance for doubtful accounts	<u>(217,336)</u>	<u>(213,579)</u>
	<u>\$ 2,099,073</u>	<u>\$ 1,649,399</u>

4. INVENTORY

	2016	2015
Ingenika Trading Post		
Groceries and household items	\$ 94,582	\$ 80,358
Automotive and hardware	22,280	15,259
Gasoline, diesel and propane	45,645	58,048
Tobacco products	9,952	24,559
	<u>\$ 172,459</u>	<u>\$ 178,224</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

5. RESTRICTED CASH

	2016	2015
Restricted cash consists of the following:		
GIC	\$ 50,000	\$ 50,000
Replacement Reserve	161,915	151,047
Treaty Negotiations	34,138	26,388
Integris Credit Union	584,739	-
	<u>\$ 830,792</u>	<u>\$ 227,435</u>

6. ENDOWMENT AND TRUST FUNDS

	2016	2015
<u>BC Hydro Trust Funds</u>		
Consists of funds held on behalf of Tsay Keh Dene Nation in an Endowment Fund created under the Trustee Fund Public Deed of Trust between the Victoria Foundation and the Tsay Keh Dene Nation dated August 31, 2009 and the Payment Trustee Agreement between the Victoria Foundation, the Tsay Keh Dene Nation, and the British Columbia Hydro and Power Authority dated August 31, 2009	\$ 2,054,033	\$ 2,891,934
<u>BC Hydro Final Settlement Funds</u>		
Consists of funds held on behalf of Tsay Keh Dene Nation in an Endowment Fund created under the Endowment Fund Public Deed of Trust between the Victoria Foundation and the Tsay Keh Dene Nation dated August 31, 2009 and the Payment Trustee Agreement between the Victoria Foundation, the Tsay Keh Dene Nation, and the British Columbia Hydro and Power Authority dated August 31, 2009	<u>17,826,661</u>	<u>17,967,714</u>
	<u>\$ 19,880,694</u>	<u>\$ 20,859,648</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

7. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A)

	2016	2015
0882074 B.C. Ltd.		
- shares	\$ 1	\$ 1
- advances from	(125,388)	(61,016)
- contributed surplus	497,692	497,692
	<u>372,305</u>	<u>436,677</u>
1035969 B.C. Ltd.		
- share	1	-
- advances to	125,199	-
	<u>125,200</u>	<u>-</u>
Chu-Cho Enterprises Ltd.		
- shares	1	1
- contributed surplus	974,899	974,899
- advances to	552,817	552,817
- deficit	(441,064)	(441,064)
	<u>1,086,653</u>	<u>1,086,653</u>
Ingenika Logging Ltd.		
- shares	100	100
- advances to	558,310	558,310
- deficit	(933,410)	(933,410)
	<u>(375,000)</u>	<u>(375,000)</u>
Tsay Keh Enterprises Ltd.		
- share	1	1
- advances to	655,717	776,740
- deficit	(66,657)	(93,043)
	<u>589,061</u>	<u>683,698</u>
Tsay Keh Holdings Ltd. (dba Tsay Keh Dene Outfitters)		
- shares	100	100
- advances to	974,113	962,778
- deficit	(281,910)	(257,902)
	<u>692,303</u>	<u>704,976</u>
Balance forward	<u>\$ 2,490,522</u>	<u>\$ 2,537,004</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

7. INVESTMENTS IN GOVERNMENT BUSINESS ENTITIES (Appendix A), continued

	2016	2015
Balance forward	\$ 2,490,522	\$ 2,537,004
Tsay Keh Economic Development Corporation		
- shares	100	100
- advances to	6,774	6,774
- equity	152	167
	<u>7,026</u>	<u>7,041</u>
Chu Cho Industries Limited Partnership		
- partnership units, at cost	9,999	9,999
- advances to	77,084	172,957
- partner's equity	1,141,183	1,876,295
	<u>1,228,266</u>	<u>2,059,251</u>
Tsay Keh Developments Limited Partnership		
- partnership units, at cost	9,999	9,999
- advances from	(9,999)	(9,999)
	<u>-</u>	<u>-</u>
Three Feathers GP Ltd.		
- shares	100	100
- advances from	(100)	(100)
- equity	25	17
	<u>25</u>	<u>17</u>
Three Feathers Limited Partnership		
- partnership units, at cost	33	33
- partnership equity	108,610	110,559
	<u>108,643</u>	<u>110,592</u>
Tse Keh Nay (A Partnership)		
- partners' capital	29,696	-
	<u>\$ 3,864,178</u>	<u>\$ 4,713,905</u>

Shares and partnership units are held on behalf of the Nation's membership by specified nation members under a trust agreement.

Condensed financial information for the government business entities is presented in Appendix A to the financial statements.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

8. INVESTMENTS

	2016	2015
Resolute Forest Products Inc. Shares, at realizable value	\$ 22,145	\$ 73,084
Traplines, at cost	<u>146,825</u>	<u>146,825</u>
	<u>\$ 168,970</u>	<u>\$ 219,909</u>

9. OTTAWA TRUST ASSETS

	Revenue	Capital	Total 2016	Total 2015
<u>Ottawa Trust</u>				
Balance, beginning of year	\$ 34,955	\$ -	\$ 34,955	\$ 33,048
Interest	742	-	742	822
BC Special	<u>1,113</u>	-	<u>1,113</u>	<u>1,085</u>
Balance, end of year	<u>\$ 36,810</u>	<u>\$ -</u>	<u>\$ 36,810</u>	<u>\$ 34,955</u>

The Ottawa Trust Accounts arise from monies from capital or revenue sources outlined in Section 62 of the "Indian Act". These funds are held in trust in the consolidated revenue fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the "Indian Act".

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Trade payables and accrued liabilities	\$ 1,131,403	\$ 1,566,469
Wages and government remittances payable	226,454	198,769
Pension and group benefits payable	<u>18,525</u>	<u>11,356</u>
	<u>\$ 1,376,382</u>	<u>\$ 1,766,594</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES, continued

The Nation has a defined contribution pension plan for eligible members of its staff. Members are required to contribute a minimum of 5% of their salary, the Nation contributes 5% of their basic salary, and contributions are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. During the year the Nation contributed \$ 89,547 (2015 - \$77,205) for retirement benefits.

11. DEFERRED REVENUE

	2016	2015
INAC Capital Surplus	\$ 1,322	\$ 1,322
Electrical Upgrade Powerlines - CPMS #10330	-	5,439
ACRS Group 2 - ICMS 9-10011356	-	18,343
Transfer Station - CPMS #11533	-	45,345
	<u>1,322</u>	<u>70,449</u>
BC Hydro	<u>351,656</u>	<u>348,506</u>
	<u>\$ 352,978</u>	<u>\$ 418,955</u>

The Nation has recorded the above surpluses as deferred revenue to be used for delivery and completion of future programs and projects.

12. LONG-TERM DEBT

	2016	2015
Mortgage, repayable in monthly instalments of \$1,107 including interest at prime plus 1.05% per annum (March 31, 2016 - 3.75%), secured by specific properties. The mortgage is registered in the name of Tsay Keh Enterprises Ltd. and is guaranteed by the Nation, due to renew May 2016	\$ 102,769	\$ 111,967
Mortgage, repayable in monthly instalments of \$976 including interest at 3.11% per annum, secured by specific properties. The mortgage is registered in the name of Tsay Keh Enterprises Ltd. and is guaranteed by the Nation, due to renew May 2016	<u>106,346</u>	<u>114,460</u>
Balance forward	<u>\$ 209,115</u>	<u>\$ 226,427</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

12. LONG-TERM DEBT, continued

	2016	2015
Balance forward	\$ 209,115	\$ 226,427
Mortgage, repayable in monthly instalments of \$1,411 including interest at 2.83% per annum, secured by a Government of Canada ministerial guarantee, due to renew February 2020	194,121	205,382
Mortgage repayable in monthly instalments of \$3,944 including interest at 3.77% per annum, secured by a Government of Canada ministerial guarantee, due to renew April 2016	396,542	428,263
Conditional sales contract payable in monthly instalments of \$1,118 including interest at 6.69%, secured by equipment with a net book value of \$25,773	24,192	35,645
Conditional sales contract payable in monthly instalments of \$1,136 including interest at 6.69%, secured by equipment with a net book value of \$26,145	24,572	36,205
Loan repayable in monthly instalments of \$2,023 including interest at 3.4% per annum, secured by equipment with a net book value of \$117,220	92,394	-
Loan	-	3,659
	<u>\$ 940,936</u>	<u>\$ 935,581</u>

Principal repayments due in each of the next five years are scheduled as follows:

2017	\$ 108,831
2018	111,164
2019	90,180
2020	93,369
2021	<u>74,056</u>
	<u>\$ 477,600</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

13. TREATY LOAN

Treaty loan is an Indigenous and Northern Affairs Canada promissory note representing advances for negotiations with the British Columbia Treaty Commission. Repayment provisions for these loans are outlined in Sections 13.0 and 14.0 of the Negotiation Support Agreement. The loan is non-interest bearing and will be repayable over a 10 year period after the signing of the Final Agreement between Tsay Keh Dene Nation, the Government of Canada and the Government of British Columbia.

14. REPLACEMENT RESERVE

Under the terms of an agreement with Indigenous and Northern Affairs Canada, the replacement reserve account is to be credited in the amount of \$10,868 annually. These funds, along with the accumulating interest, are to be held in a separate bank account and may only be used for repairs and maintenance for houses built in 2001 and 2004. The replacement reserve was fully funded at year end.

15. TANGIBLE CAPITAL ASSETS (Appendix B)

			2016	2015
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Automotive equipment	\$ 601,815	\$ 475,928	\$ 125,887	\$ 135,893
Buildings	6,524,202	2,233,967	4,290,235	4,469,743
Computer equipment	267,878	62,630	205,248	13,175
Equipment	793,884	555,066	238,818	119,596
Furniture and office equipment	95,099	42,523	52,576	43,020
Heavy duty equipment	484,890	410,321	74,569	64,028
Housing	16,350,641	6,254,475	10,096,166	9,924,820
Infrastructure	12,419,433	4,667,360	7,752,073	7,904,760
Ingenika Trading Post	768,546	353,944	414,602	420,680
	38,306,388	15,056,214	23,250,174	23,095,715
Land	500,000	-	500,000	500,000
	<u>\$ 38,806,388</u>	<u>\$ 15,056,214</u>	<u>\$ 23,750,174</u>	<u>\$ 23,595,715</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

16. CONTINGENT LIABILITIES

Tsay Keh Dene Nation has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

The Nation may have future silviculture commitments on government business entities owned forest licences if future costs exceed current estimates. The amount of the liability, if any, is not determinable at this time.

The Nation has guaranteed loans issued by financial institutions to the government business entities held as investments by the Nation. At March 31, 2016 none of these loans were in default and thus, the amount of the liability, if any, is not determinable at this time.

In addition, in the normal course of its operations, Tsay Keh Dene Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

17. RECONCILIATION OF INAC FUNDING AGREEMENT REVENUE

Pursuant to the Indigenous and Northern Affairs Canada Financial Reporting Requirements for the fiscal period 2015 - 2016 the following reconciliation has been prepared:

Recipient total as per 2015/2016 INAC funding confirmation	\$ 3,308,068
Variance	<u>-</u>
INAC revenue as per consolidated statement of operations	<u>\$ 3,308,068</u>

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

18. GOVERNMENT TRANSFERS

	2016			2015		
	<u>Operating</u>	<u>Capital</u>	<u>Total</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Federal government transfers:						
Indigenous and Northern Affairs Canada	\$ 2,781,332	\$ 526,736	\$ 3,308,068	\$ 2,843,342	\$ 436,413	\$ 3,279,755
First Nations Health Authority	848,869	-	848,869	715,407	-	715,407
Other	28,326	-	28,326	1,000	-	1,000
	3,648,527	526,736	4,185,263	3,559,749	436,413	3,996,162
Provincial government transfers	586,365	-	586,365	301,944	-	301,944
	<u>\$ 4,244,892</u>	<u>\$ 526,736</u>	<u>\$ 4,771,628</u>	<u>\$ 3,861,693</u>	<u>\$ 436,413</u>	<u>\$ 4,298,106</u>

19. RELATED PARTY TRANSACTIONS

In the normal course of operations, the Nation participated in transactions with related parties measured at the exchange amount as determined and agreed to by the related parties.

The Nation paid rent to 0882074 B.C. Ltd. in the amount of \$42,481 (2015 - \$14,333).

The Nation sold goods and services in the amount of \$265,333 (2015 - \$324,381) to Chu Cho Industries Limited Partnership, and its divisions Chu-Cho Environmental Consulting and Chu Cho Forestry, and paid for services rendered in the amount of \$161,824 (2015 - \$357,086).

20. ECONOMIC DEPENDENCE

The Nation receives a major portion of its revenue pursuant to funding arrangements with Indigenous and Northern Affairs Canada. Any disruption in this funding would have a negative effect on the Nation's operations.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

21. RISK MANAGEMENT

The Nation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include the following:

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation has a history of dealing with its funding agencies and customer base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

The Nation maintains its cash and deposits with a federally regulated Canadian financial institution and a Credit Union, and thus has not experienced any change in risk exposure.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Nation's long-term debt is at fixed rates of interest therefore, a change in market interest rates has no impact to cash flows required to service this debt. The Nation maintains an operating line of credit subject to floating rates of interest, a change in the variable rate can impact cash flow to service the debt when such debt is outstanding. There has been no change to the risk exposure from 2015 and there is expected to be no substantive change in the next fiscal period.

22. SEGMENT DISCLOSURE

Tsay Keh Dene Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies in Note 1. The segments and services provided are as follows:

Economic Development - manages the development of economic opportunities from the land and natural resources for the Nation and its entities;

Education and Training - provides elementary and secondary education instructional services, financial support to post secondary students and training and work opportunities for Nation members to improve their job skills and participate effectively in the labour market.

TSAY KEH DENE NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

22. SEGMENT DISCLOSURE, continued

Government Development and Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Health Services - provides a variety of health care programs, services and support to Nation members;

Housing - provides housing and services to Nation members;

Public Works Operations and Maintenance - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Social and Community Services - provides programs and services for the social benefit and welfare of Nation members;

Treaty Claims and Negotiations - manages the land claim and negotiation process with Canada and the Province of British Columbia;

Trust Funds - provides programs and services for the social, economic and capital needs of Nation members;

Other - Ingenika Trading Post and the government business entities provide economic development opportunities for the benefit of Nation members;

Tangible Capital Assets - provides for capital infrastructure development for Nation members.

23. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been approved by the Chief and Council.

24. COMPARATIVE FIGURES

Certain of the prior comparative figures have been restated to conform to the current year's presentation.

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
YEAR ENDED MARCH 31, 2016

	ECONOMIC DEVELOPMENT			EDUCATION AND TRAINING			GOVERNMENT DEVELOPMENT AND ADMINISTRATION			HEALTH SERVICES			HOUSING														
	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015												
REVENUE																											
Indigenous and Northern Affairs Canada (INAC)	\$	84,568	\$	30,000	\$	1,214,624	\$	1,273,811	\$	1,248,284	\$	418,981	\$	33,679	\$	36,015	\$	-	\$	-	\$	-	\$	-			
First Nations Health Authority (FNHA)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Province of British Columbia		15,000	-	-	-	-	-	331,790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
BC Hydro		197,968	232,522	120,000	147,486	68,139	-	67,486	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Interest, rent and miscellaneous		1,197,600	431,293	975,928	190,250	238,037	-	280,699	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Ottawa trust funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Income from government business entities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TOTAL REVENUE		1,394,968	763,383	1,125,928	1,552,360	1,945,786	1,554,660	1,945,786	1,554,660	1,019,457	1,484,476	1,461,001	1,010,445	1,014,084	1,038,601	461,425	336,962	94,025									
EXPENDITURE																											
Administration		-	4,005	97,500	105,807	124,812	137,341	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Amortization and interest		2,000	3,971	5,586	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Contract		171,000	149,893	149,968	-	156,628	5,930	-	-	6,500	43,245	44,951	81,003	109,332	280,119	10,200	51,166	29,211									
Honouraria		9,000	2,995	4,450	18,899	7,058	35,650	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Professional fees		-	1,390	4,203	-	-	-	-	-	320,000	191,259	215,247	2,500	221	2,125	-	-	-	-	-	-	-	-	-			
Rent		8,500	25,865	2,278	-	6,275	1,380	-	-	13,900	53,056	14,983	-	-	2,866	14,200	-	-	-	-	-	-	-	-			
Repairs and maintenance		7,500	14,743	21,407	105,045	98,123	20,471	1,000	2,402	1,000	2,402	58,781	-	-	1,174	101,800	28,983	45,126									
Supplies		107,300	68,730	33,471	87,976	47,225	165,636	60,650	48,671	33,574	37,800	38,995	37,800	38,995	60,921	19,900	96,333	4,348									
Telephone and utilities		-	180	3,082	89,924	61,324	70,945	-	-	50,820	70,242	42,411	11,649	16,862	23,133	6,200	10,788	7,697									
Travel and accommodations		38,000	31,713	63,020	82,094	58,777	52,013	166,088	356,642	218,108	356,642	218,108	299,045	365,383	415,533	-	5,009	-									
Wages and benefits		389,768	472,866	335,944	989,994	769,956	708,473	839,726	1,041,083	766,343	839,726	1,041,083	450,193	480,788	518,919	351,684	274,630	-									
Workshops and training		6,500	2,470	41,795	96,638	130,638	150,659	25,000	-	25,000	-	12,865	9,200	6,719	4,945	-	-	-	-	-	-	-	-	-			
Other		-	4,791	8,023	253,496	136,011	260,320	68,200	111,255	209,375	48,022	33,909	48,022	33,909	21,533	15,000	48,929	2,225									
Loss from government business entities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TOTAL EXPENDITURE		739,268	783,602	771,627	1,829,893	1,596,824	1,608,818	1,571,834	1,917,855	1,653,087	995,803	1,030,694	1,411,296	528,064	541,803	58,037											
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)		655,400	(20,219)	354,301	(277,533)	348,962	(54,158)	(352,377)	(433,379)	(192,086)	14,942	(16,610)	(372,095)	(67,639)	(314,841)	(4,012)											
DECREASE IN DEFERRED REVENUE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TRANSFER TO TANGIBLE CAPITAL ASSETS		(28,000)	(55,506)	(15,872)	-	(31,421)	(5,574)	-	-	(8,895)	-	(1,846)	(56,745)	(5,000)	(76,311)	(47,762)											
\$	627,400	\$	(73,805)	\$	338,429	\$	(277,533)	\$	317,541	\$	(552,377)	\$	(433,379)	\$	(200,981)	\$	14,942	\$	(18,456)	\$	472,095	\$	(772,639)	\$	(291,152)	\$	(51,774)

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
YEAR ENDED MARCH 31, 2016

	PUBLIC WORKS OPERATIONS AND MAINTENANCE			SOCIAL AND COMMUNITY SERVICES			TREATY CLAIMS AND NEGOTIATIONS			TRUST FUNDS			OTHER		
	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015
REVENUE															
Indigenous and Northern Affairs Canada (INAC)	\$ 965,915	\$ 979,434	\$ 952,268	\$ 6,036	\$ -	\$ 127,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
First Nations Health Authority (FNHA)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Province of British Columbia	-	-	-	173,836	169,176	169,176	74,682	69,140	92,200	-	-	-	-	-	-
BC Hydro (withdrawals in excess of deposits)	-	72,282	-	1,164,735	1,301,678	290,719	-	-	-	-	(554,536)	1,258,614	-	-	-
Interest, rent and miscellaneous	13,000	39,967	110,499	159,500	81,312	51,946	-	-	-	-	31,657	393,163	-	2,065,211	1,989,395
Ontario trust funds	-	-	-	-	-	-	-	-	-	-	1,865	1,907	-	-	-
Income from government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	180,629	1,538,371
TOTAL REVENUE	978,915	1,091,683	1,062,767	1,504,127	1,582,166	639,635	74,682	69,140	92,200	-	(511,024)	1,652,686	-	2,235,840	3,527,966
EXPENDITURE															
Administration	-	-	106,277	2,844	5,175	29,976	9,000	12,000	41,762	-	-	-	-	37,838	-
Amortization and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	22,438	23,017
Contract	705,000	775,964	698,251	353,860	309,178	83,427	48,000	55,700	-	-	-	-	-	28,581	9,645
Honoraria	-	-	-	10,000	13,035	5,405	55,000	45,855	102,750	-	-	-	-	-	-
Professional fees	-	2,345	2,976	20,000	21,176	20,500	14,430	9,895	44,831	-	-	-	-	-	-
Rent	-	28	5,300	2,666	7,782	11,696	19,200	16,756	15,238	-	-	-	-	9,500	7,500
Repairs and maintenance	15,000	12,234	110,158	5,000	5,157	12,678	400	-	379	-	-	-	-	-	-
Supplies	11,500	29,513	64,988	95,195	67,616	22,063	3,260	5,262	4,625	-	-	-	-	278	8,497
Telephone and utilities	52,000	115,081	233,623	328,554	327,428	24,703	14,400	11,857	19,015	-	-	-	-	19,883	9,295
Travel and accommodations	30,800	40,190	42,412	75,320	59,126	64,692	27,000	30,898	27,970	-	-	-	-	16,042	21,158
Wages and benefits	114,182	98,953	274,548	428,007	285,254	357,743	148,612	147,527	146,969	-	-	-	-	10,816	15,605
Workshops and training	2,000	-	1,339	1,600	581	1,229	2,000	-	-	-	-	-	-	241,565	250,962
Other	8,000	58,206	10,425	74,000	124,443	112,306	10,000	13,264	58,132	-	141,185	128,854	-	-	724
Loss from government business entities	-	-	-	-	-	-	-	-	-	-	-	-	-	1,720,222	1,726,467
	-	-	-	-	-	-	-	-	-	-	-	-	-	177,135	27,426
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	938,482	1,132,414	1,550,297	1,397,646	1,225,931	748,238	351,242	348,954	461,111	-	141,185	128,854	-	2,284,298	2,100,706
DECREASE (INCREASE) IN DEFERRED REVENUE	40,433	(46,731)	(487,530)	107,081	326,215	(108,603)	(276,560)	(279,814)	(368,911)	-	(662,209)	1,524,832	-	(48,458)	1,427,670
TRANSFER TO TANGIBLE CAPITAL ASSETS	-	(22,112)	-	(12,000)	(12,895)	-	-	-	-	(200,000)	(271,776)	(988,437)	-	-	-
\$ 40,433 \$ (62,843) \$ (430,024) \$ 95,081 \$ 300,320 \$ (12,548) \$ (276,560) \$ (279,814) \$ (368,911) \$ - \$ (932,985) \$ 374,832 \$ - \$ (48,458) \$ 1,427,670															

TSAY KEH DENE NATION
SEGMENT DISCLOSURE
YEAR ENDED MARCH 31, 2016

	TANGIBLE CAPITAL ASSETS			TOTAL BEFORE ADJUSTMENTS			CONSOLIDATION ADJUSTMENTS			CONSOLIDATED TOTALS		
	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015	Budget	2016	2015
REVENUE												
Indigenous and Northern Affairs Canada (INAC)	\$ 124,000	\$ 526,736	\$ 436,413	\$ 2,551,983	\$ 3,308,068	\$ 3,279,755	\$ -	\$ -	\$ -	\$ 2,551,983	\$ 3,308,068	\$ 3,279,755
First Nations Health Authority (FNHA)	-	-	-	787,137	848,869	715,407	-	-	-	787,137	848,869	715,407
Province of British Columbia	-	-	-	248,518	586,365	301,944	-	-	-	248,518	586,365	301,944
BC Hydro	-	-	-	2,411,843	2,203,584	2,173,103	-	-	-	2,411,843	2,203,584	2,173,103
Interest, rent and miscellaneous	201,000	-	-	2,321,898	3,359,862	4,675,995	-	-	-	2,321,898	3,359,862	4,675,995
Ottawa trust funds	-	-	-	-	1,855	1,907	-	-	-	-	1,855	1,907
Income from government business entities	-	-	-	-	180,629	1,538,571	-	-	-	-	180,629	1,538,571
TOTAL REVENUE	325,000	526,736	436,413	8,321,379	10,489,232	12,686,682	-	-	-	8,321,379	10,489,232	12,686,682
EXPENDITURE												
Administration	-	796	10,000	142,822	186,595	507,052	-	(796)	(10,000)	142,822	185,799	497,052
Amortization and interest	-	-	-	2,000	55,374	62,576	-	1,162,097	1,114,578	2,000	1,217,471	1,176,934
Contract	325,000	564,498	552,103	1,700,963	2,244,085	1,826,394	-	(864,498)	(552,103)	1,700,963	1,679,587	1,274,291
Honoraria	-	-	-	95,399	69,161	186,829	-	-	-	95,399	69,161	186,829
Professional fees	-	-	2,805	354,430	235,475	298,062	-	-	(2,805)	354,430	235,475	295,257
Rent	-	-	-	58,466	109,752	53,651	-	-	-	58,466	109,752	53,651
Repairs and maintenance	-	-	-	235,745	168,996	278,671	-	-	-	235,745	168,996	278,671
Supplies	-	126,889	-	423,471	548,617	398,921	-	(126,889)	-	423,471	421,728	398,921
Telephone and utilities	-	-	-	553,547	629,834	445,767	-	-	-	553,547	629,834	445,767
Travel and accommodations	-	2,076	-	718,347	960,600	899,263	-	(2,076)	-	718,347	958,524	899,263
Wages and benefits	-	148,258	-	3,772,166	3,930,850	3,359,841	-	(148,258)	-	3,772,166	3,782,592	3,359,841
Workshops and training	-	-	-	142,958	140,408	213,556	-	-	-	142,958	140,408	213,556
Other	-	-	-	477,318	2,389,215	2,538,560	-	-	-	477,318	2,389,215	2,538,560
Loss from government business entities	-	-	-	-	177,135	27,426	-	-	-	-	177,135	27,426
EXCESS REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE)	325,000	842,517	564,908	8,677,632	11,846,097	11,096,569	-	319,580	549,470	8,677,632	12,165,677	11,646,039
DECREASE IN DEFERRED REVENUE	-	(315,781)	(128,495)	(356,253)	(1,356,865)	1,590,113	-	(319,580)	(549,470)	(356,253)	(1,676,445)	1,040,643
TRANSFER TO TANGIBLE CAPITAL ASSETS	-	69,127	489,738	200,000	69,127	1,333,681	-	-	-	200,000	69,127	1,333,681
	245,000	479,947	1,123,285	-	-	-	-	-	-	-	-	-
	\$ 245,000	\$ 233,293	\$ 1,484,528	\$ (156,253)	\$ (1,287,738)	\$ 2,923,794	\$ -	\$ (319,580)	\$ (549,470)	\$ (156,253)	\$ (1,607,318)	\$ 2,374,324

TSAY KEH DENE NATION
GOVERNMENT BUSINESS ENTITIES
CONDENSED FINANCIAL INFORMATION
YEAR ENDED MARCH 31, 2016

APPENDIX A

	0883074 B.C. Ltd.	1035069 B.C. Ltd.	Chia-Cho Enterprises Ltd.	Chia Cho Industries Limited Partnership	Ingenika Locations Ltd.	Three Feathers GP Ltd.	Three Feathers Limited Partnership	Tsay Keh Developments Limited Partnership	Tsay Keh Economic Development Corporation	Tsay Keh Enterprises Ltd.	Tsay Keh Holdings Ltd.	Tsay Keh Noy (A Partnership)	Total 2016	Total 2015
Assets														
Financial Assets	\$ 2,761	\$ -	\$ -	\$ 2,111,980	\$ -	\$ 200	\$ 298,718	\$ 10,839	\$ 157	\$ 154,643	\$ 1,108	\$ 101,217	\$ 2,681,623	\$ 2,780,672
Tangible Capital Assets	1,253,814	-	-	5,770,819	-	-	-	-	-	567,425	33,984	-	7,626,042	3,446,091
Other Assets	24,902	125,200	1,086,653	47,670	-	83	32,193	1,963	22,669	1,280	661,311	-	2,003,924	790,052
Total Assets	\$ 1,281,477	\$ 125,200	\$ 1,086,653	\$ 7,930,469	\$ -	\$ 283	\$ 330,911	\$ 12,802	\$ 22,826	\$ 723,318	\$ 696,403	\$ 101,217	\$ 12,311,589	\$ 7,017,717
Liabilities														
Debt	\$ 109,172	\$ -	\$ -	\$ 1,879,169	\$ 375,000	\$ 8	\$ 4,878	\$ -	\$ -	\$ -	\$ 4,100	\$ 10,275	\$ 2,417,475	\$ 994,819
Contributed Surplus	800,000	-	-	4,787,198	-	-	-	-	-	-	-	-	5,587,198	1,084,605
Equity (Deficit)	497,692	-	974,899	-	-	-	-	-	-	-	-	-	1,472,591	1,472,591
Total Liabilities and Equity	\$ 1,406,865	\$ 1	\$ 533,536	\$ 7,817,201	\$ (933,310)	\$ 375	\$ 326,033	\$ 10,000	\$ 252	\$ (66,657)	\$ (281,810)	\$ 90,942	\$ (143,902)	\$ 503,717
Related Party Loans														
	\$ (125,388)	\$ 125,199	\$ 552,817	\$ 112,768	\$ 558,310	\$ (100)	\$ -	\$ 2,802	\$ 22,574	\$ 755,132	\$ 974,113	\$ -	\$ 2,978,227	\$ 2,961,985
Intercompany Loans														
Tsay Keh Dene Nation Advances	\$ -	\$ -	\$ -	\$ (28,691)	\$ -	\$ -	\$ -	\$ 12,801	\$ 15,800	\$ -	\$ -	\$ -	\$ -	\$ 1
Related Party Loans	\$ (125,388)	\$ 125,199	\$ 552,817	\$ 112,768	\$ 558,310	\$ (100)	\$ -	\$ (9,999)	\$ 6,774	\$ 755,132	\$ 974,113	\$ -	\$ 2,978,227	\$ 2,961,984
Revenue														
	\$ 42,481	\$ -	\$ -	\$ 11,207,235	\$ -	\$ 26	\$ 447,614	\$ -	\$ -	\$ 75,880	\$ -	\$ 315,554	\$ 12,088,790	\$ 7,154,020
Expenses														
Amortization	15,866	-	-	10,587,054	-	-	183,435	-	15	15,165	20,714	117,004	10,939,253	5,201,460
Interest	15,759	-	-	644,834	-	-	-	-	-	30,213	3,294	-	692,100	458,582
Corporate Income Taxes	12,856	-	-	128,474	-	-	-	-	-	-	-	-	141,330	43,097
Total Expenses	42,481	-	-	11,360,362	-	3	183,435	-	15	49,494	24,008	117,004	11,776,682	6,004,115
Net Income (Loss)	\$ -	\$ -	\$ -	\$ (153,127)	\$ -	\$ 23	\$ 264,179	\$ -	\$ (15)	\$ 26,386	\$ (24,008)	\$ 198,550	\$ 311,908	\$ 1,733,905
Tsay Keh Dene Nation Share	\$ -	\$ -	\$ -	\$ (153,112)	\$ -	\$ 8	\$ 88,051	\$ -	\$ (15)	\$ 26,386	\$ (24,008)	\$ 66,184	\$ 3,494	\$ 1,311,145

TSAY KEH DENE NATION
TANGIBLE CAPITAL ASSETS
YEAR ENDED MARCH 31, 2016

APPENDIX B

	Automotive Equipment	Buildings	Computer Equipment	Equipment	Furniture and Office Equipment	Heavy Duty Equipment	Housing	Infrastructure	Ingenika Trading Post	Land	Total
Cost											
As at April 1, 2015	\$ 565,625	\$ 6,524,202	\$ 37,260	\$ 640,072	\$ 74,921	\$ 449,890	\$ 15,671,571	\$ 12,255,984	\$ 752,187	\$ 500,000	\$ 37,471,712
Additions	36,190	-	230,618	163,812	20,178	35,000	679,070	163,449	163,559	-	1,344,676
Disposals	-	-	-	(10,000)	-	-	-	-	-	-	(10,000)
	601,815	6,524,202	267,878	793,884	95,099	484,890	16,350,641	12,419,433	768,546	500,000	38,806,388
Accumulated amortization											
As at April 1, 2015	\$ 429,732	\$ 2,054,459	\$ 24,085	\$ 520,476	\$ 31,901	\$ 385,862	\$ 5,746,751	\$ 4,351,224	\$ 331,507	\$ -	\$ 13,875,997
Provision	46,196	179,508	38,545	38,909	10,622	24,459	507,724	316,136	22,437	-	1,184,536
Disposals	-	-	-	(4,319)	-	-	-	-	-	-	(4,319)
	475,928	2,233,967	62,630	555,066	42,523	410,321	6,254,475	4,667,360	353,944	-	15,056,214
Net book value, March 31, 2016	\$ 125,887	\$ 4,290,235	\$ 205,248	\$ 238,818	\$ 52,576	\$ 74,569	\$ 10,096,166	\$ 7,752,073	\$ 414,602	\$ 500,000	\$ 23,750,174
Cost											
As at April 1, 2014	\$ 551,285	\$ 6,453,367	\$ 31,686	\$ 608,493	\$ 74,921	\$ 449,890	\$ 14,352,495	\$ 12,094,131	\$ 752,187	\$ 500,000	\$ 35,868,460
Additions	42,963	70,835	5,574	31,574	-	-	1,319,076	161,853	-	-	1,631,825
Disposals	(28,623)	-	-	-	-	-	-	-	-	-	(28,623)
	565,625	6,524,202	37,260	640,072	74,921	449,890	15,671,571	12,255,984	752,187	500,000	37,471,712
Accumulated amortization											
As at April 1, 2014	\$ 392,291	\$ 1,869,302	\$ 19,632	\$ 495,317	\$ 21,146	\$ 358,422	\$ 5,239,105	\$ 4,026,490	\$ 308,490	\$ -	\$ 12,750,195
Provision	49,033	185,157	4,453	25,159	10,755	27,440	487,646	324,734	23,017	-	1,137,394
Disposals	(11,592)	-	-	-	-	-	-	-	-	-	(11,592)
	429,732	2,054,459	24,085	520,476	31,901	385,862	5,746,751	4,351,224	331,507	-	13,875,997
Net book value, March 31, 2015	\$ 135,893	\$ 4,469,743	\$ 13,175	\$ 119,596	\$ 43,020	\$ 64,028	\$ 9,924,820	\$ 7,904,760	\$ 420,680	\$ 500,000	\$ 23,595,715