



## INDEPENDENT AUDITORS' REPORT

To the members of Fort Good Hope Dene Community Council

### **Opinion**

We have audited the accompanying consolidated financial statements of Fort Good Hope Dene Community Council, which comprise of the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, consolidated statements of changes in net financial assets and accumulated surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, these financial statements present fairly, in all material respects, the consolidated financial position of Fort Good Hope Dene Community Council (the "Council") as at March 31, 2022 and the consolidated results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The comparative figures were audited by other auditors. They issued a qualified audit opinion on those financial statements on December 14, 2023. Basis of qualified audit opinion was they were unable to obtain sufficient employee files and records to determine if the payroll expenses were complete. There was no such issue in current year.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered



material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Council to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Paul Teoh Professional Corporation  
Chartered Professional Accountants

Calgary, Alberta  
April 3, 2025

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2022	2021
<b>Financial Assets</b>		
Cash and cash equivalents (note 2)	\$ 337,069	\$ 160,869
Accounts receivable (note 3)	64,002	17,038
Contributions receivable (note 4)	77,616	95,416
Receivable from related parties (note 5)	30,359	-
<b>Total Financial Assets</b>	<b>509,046</b>	<b>273,323</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 6)	138,252	46,287
Contributions repayable (note 7)	23,834	23,834
Payable to related party (note 8)	-	58,632
Deferred contributions (note 9)	408,999	318,351
<b>Total Liabilities</b>	<b>571,085</b>	<b>447,104</b>
<b>Net Financial Debt</b>	<b>( 62,039)</b>	<b>( 173,781)</b>
<b>Non-Financial Assets</b>		
Long term investment (note 10)	406,800	400,990
Tangible capital assets (note 11)	58,280	61,380
<b>Total Non-Financial Assets</b>	<b>465,080</b>	<b>462,370</b>
<b>Accumulated Surplus (note 13)</b>	<b>\$ 403,041</b>	<b>\$ 288,589</b>

Approved on behalf of the Council:

  
\_\_\_\_\_  
Councillor

  
\_\_\_\_\_  
Councillor

The accompanying notes and schedules are integral parts of these consolidated financial statements. 4.

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**

For the year ended March 31,	2022	2022	2021
	Budget (Unaudited)	Actual	Actual
<b>Revenue</b>			
Contributions - Indigenous Services			
Canada	\$ -	\$ 509,484	\$ 473,116
Contributions - Government of NWT	- -	10,772	90,000
Contributions - Sahtu Dene Council	- -	263,071	-
Other contributions and grants	- -	10,000	1,000
Share of earnings (loss)	- -	5,810	( 65,759)
Other revenue and recoveries	- -	191,932	-
Add opening deferred revenue	- -	318,351	398,566
Less closing deferred revenue	- - (	408,998)	( 318,351)
		900,422	578,572
<b>Expenditure</b>			
Band administration	- -	275,683	333,603
Band governance	- -	35,910	171,467
Community development programs	- -	238,549	-
Contracts and projects	- -	-	79,622
Daycare programs	- -	209,343	-
Economic developments	- -	-	2,415
Enterprises	- -	824	5,356
Language programs	- -	4,781	-
Youth programs	- -	20,880	-
		785,970	592,463
<b>Annual Surplus (Deficit)</b>	- -	114,452	( 13,891)
<b>Accumulated Surplus, beginning of year</b>	288,589	288,589	302,480
<b>Accumulated Surplus, end of year</b>	\$ 288,589	\$ 403,041	\$ 288,589

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL DEBT**

<u>For the year ended March 31,</u>	<u>2022</u>	<u>2022</u>	<u>2021</u>
	Budget (Unaudited)	Actual	Actual
<b>Annual Surplus (Deficit)</b>	\$ -	\$ 114,452	\$( 13,891)
Amortization of tangible capital assets	- -	3,098	4,095
Decrease (increase) in long term investment	- -	( 5,808)	65,759
	- -	111,742	55,963
<b>Increase (Decrease) in Net Financial Assets</b>	- -	111,742	55,963
<b>Net Financial Debt, beginning of year</b>	( 173,781)	( 173,781)	( 229,744)
<b>Net Financial Debt, end of year</b>	\$( 173,781)	\$( 62,039)	\$( 173,781)

The accompanying notes and schedules are integral parts of these consolidated financial statements. 6.

**FORT GOOD HOPE DENE COMMUNITY COUNCIL**  
**CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**

	General Operating Fund	Enterprise Fund	Equity in Tangible Capital Assets	Total
<u>For the Year ended March 31, 2022</u>				
<b>Annual Surplus (Deficit)</b>	\$ 114,452	\$ -	\$ -	\$ 114,452
<b>Net Interfund Transfers:</b>	3,098	-	( 3,098)	-
Amortization	( 4,986)	4,986	-	-
Operations from enterprises				
<b>Changes in Accumulated Surplus</b>	112,564	4,986	( 3,098)	114,452
<b>Accumulated Surplus, beginning of year</b>	( 157,269)	384,477	61,381	288,589
<b>Accumulated Surplus, end of year</b>	<b>\$ ( 44,705)</b>	<b>\$ 389,463</b>	<b>\$ 58,283</b>	<b>\$ 403,041</b>
 <u>For the year ended March 31, 2021</u>				
<b>Annual Surplus (Deficit)</b>	\$ ( 13,891)	\$ -	\$ -	\$ ( 13,891)
<b>Net Interfund Transfers:</b>	4,095	-	( 4,095)	-
Amortization	( 71,115)	( 71,115)	-	-
Operations from enterprises				
<b>Changes in Accumulated Surplus</b>	61,319	( 71,115)	( 4,095)	( 13,891)
<b>Accumulated Surplus, beginning of year</b>	( 218,588)	455,592	65,476	302,480
<b>Accumulated Surplus, end of year</b>	<b>\$ ( 157,269)</b>	<b>\$ 384,477</b>	<b>\$ 61,381</b>	<b>\$ 288,589</b>

The accompanying notes and schedules are integral parts of these consolidated financial statements.

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended March 31,	2022	2021
<b>Cash Flows from Operating Activities</b>		
Cash receipts from government transfers	\$ 538,056	\$ 656,443
Cash receipts from contributions and recoveries	423,850	49,478
Cash paid to suppliers and employees	( 690,905)	( 629,626)
	<hr/> 271,001	<hr/> 76,295
<b>Cash Flows from Financing Activities</b>		
Increase (decrease) in payable to related party	( 58,632)	-
	<hr/> ( 58,632)	<hr/> -
<b>Cash Flows from Investing Activities</b>		
Decrease (increase) in receivable from related parties	( 30,359)	-
Decrease (increase) in long-term investments	( 5,810)	-
	<hr/> ( 36,169)	<hr/> -
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>176,200</b>	<b>76,295</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>160,869</b>	<b>84,574</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 337,069</b>	<b>\$ 160,869</b>

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2022

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The Fort Good Hope Dene Community Council (the "Council") is an Indian Band registered under the *Indian Act*. The Council represents the aboriginal people of the Charter Community of Fort Good Hope. The Council is exempt for income tax purposes under Section 149 of the *Income Tax Act*.

### 1. Significant Accounting Policies

#### (a) Basis of Preparation

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

#### (b) Reporting Entities

The consolidated financial statements includes the accounts of Fort Good Hope Dene Community Council and its following subsidiary and associated companies using the modified equity method.

	Percentage Owned
K'asho Got'ine Development Corporation	100%
Sahtu Dene Inn Limited Partnership	24.9%

#### (c) Long Term Investments

The Council's long term investments have been accounted for on a modified equity basis. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the Nation and inter-organizational transactions and balances are not eliminated. Further, the business enterprise's accounting principles are not adjusted to conform with those of the Nation and inter-organizational transactions and balances are not eliminated.

#### (d) Cash and Cash Equivalents

Cash and cash equivalents includes highly liquid investments that can be readily converted into cash for a fixed amount and that matures less than three months from the date of acquisition.

#### (e) Allocation of Expenditure

The Council records a number of its expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

Certain common expenditure have been allocated to programs based on estimate of services provided.

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2022

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### **1. Significant Accounting Policies (Continued)**

#### **(f) Revenue Recognition**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

They are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

#### **(g) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets (Debt) for the year.

#### **(i) Tangible Capital Assets**

Purchased tangible capital assets are recorded at cost. Amortization expense is recorded over the estimated useful lives of the assets using the following basis and annual rates:

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Buildings	Declining Balance	3%
Computer equipment	Declining Balance	33%
Furniture and fixtures	Declining Balance	10%
Office equipment	Declining Balance	10% - 20%
Vehicles	Declining Balance	30%

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#### **(h) 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 disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2022

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### **1. Significant Accounting Policies (Continued)**

#### **(i) Financial Instruments - Recognition and Measurement**

The Nation has elected the following classifications with respect to its financial assets and financial liabilities:

- Cash and restricted cash are classified as assets held-for-trading and is subsequently measured at fair value with gains and losses arising from changes in the fair value recognized in net income in the period in which they arise. The estimated fair value of cash is assumed to approximate its carrying amount.
- Accounts receivable are classified as loans and receivables and are subsequently measured at amortized cost using the effective interest method. The amortized cost using the effective interest method approximates their fair values due to the short term nature.
- Accounts payable and accrued liabilities are classified as other financial liabilities and are subsequently measured at amortized cost using the effective interest method. At inception, the estimated fair values of accounts payable and accrued liabilities are assumed to approximate their carrying amounts.

Unless otherwise noted, it is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

### **2. Cash and Cash Equivalents**

	2022	2021
Bank chequing account	\$ 328,037	\$ 151,015
Bank savings account	9,032	9,854
	<hr/> \$ 337,069	<hr/> \$ 160,869

The Council has a revolving line of credit up to \$100,000 with the Canadian Imperial Bank of Commerce. It bears interest at prime plus 1.5%. The balance as at March 31, 2022 was \$nil.

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

### 3. Accounts Receivable

	2022	2021
Trade and others	\$ 66,367	\$ 11,613
K'ahsho Got'ine Government Negotiation Secretariat	45,000	-
GST refundable	14,697	18,187
	126,064	29,800
Less allowances for doubtful for trade and others	( 62,062)	( 12,762)
	\$ 64,002	\$ 17,038

### 4. Contributions Receivable

	2022	2021
<b>Indigenous Services Canada:</b>		
ISC - Band support	2019/20	\$ 11,325
ISC - Consultation and policy development	2017/18	11,000
ISC - Community government capacity development	2018/19	15,500
First Nations and Inuit skills link program	2018/19	6,280
Youth employment strategy	2020-21	6,182
AccPac Conversion	2020-21	13,282
ISC - Youth employment strategy	2021-22	2,320
ISC - IGS & build strong Governance	2021-22	18,750
<b>Government of NWT:</b>		
Justice - Justice committee	2019/20	16,126
Justice - Victim services	2019/20	9,631
Education, Cultural and Employment - Employment officer	2018/19	4,749
Health and Social Services - Community wellness	2018/19	1,341
Less allowances for contributions receivable	( 38,870)	95,416
	\$ 77,616	\$ 95,416

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

### 5. Receivable from Related Parties

	2022	2021
Charter Community of K'asho Got'ine (FGHDCC)	\$ 37,016	\$ -
Charter Community of K'ahsho Got'ine (KGDC)	( 6,657)	-
	<hr/> \$ 30,359	<hr/> -

The amount receivable from related party is unsecured, non-interest bearing and there is no set term of repayment.

### 6. Accounts Payable and Accrued Liabilities

	2022	2021
Trade and others	\$ 133,276	\$ 45,211
Government remittances payable	4,976	1,076
	<hr/> \$ 138,252	<hr/> \$ 46,287

### 7. Contributions Repayable

	2022	2021
Government of Canada:		
ISC - Professional Development and Institutional	\$ 23,834	\$ 23,834
	<hr/> \$ 23,834	<hr/> \$ 23,834

### 8. Payable to Related Parties

	2022	2021
Charter Community of K'ahsho Got'ine (FGHDCC)	\$ -	\$ 51,975
Charter Community of K'ahsho Got'ine (KGDC)	-	6,657
	<hr/> \$ -	<hr/> \$ 58,632

The amount payable to related party is unsecured, non-interest bearing and there is no set term of repayment.

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2022

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### 9. Deferred Contributions

		2021 Opening	Additions/ (Transfer)	Utilized	2022 Closing
INAC-AccPac Conversion Project	\$ 29,790	\$( 29,790)	\$ -	\$ -	\$ -
CIRNAC Youth Employment					
Strategy	124,620	23,200	20,880	126,940	
Community Wellness	102,528	-	-	102,528	
CIRNAC-Professional and Institutional Development	61,413	( 29,799)	-	31,614	
Daycare Operations-GNWT	-	315,380	199,343	116,037	
SDC Language Nest Program- Daycare	-	36,661	4,781	31,880	
	<b>\$ 318,351</b>	<b>\$ 315,652</b>	<b>\$ 225,004</b>	<b>\$ 408,999</b>	

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2022

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### 10. Long Term Investments

#### K'asho Got'ine Development Corporation

The Council owns 100% of K'asho Got'ine Development Corporation. The Corporation was incorporated on July 4, 2011 under the Business Corporation Act of the Northwest Territories and commenced operations in September 2011. The Corporation is a government not-for-profit organization incorporated to pursue community economic development initiatives for the benefit of Fort Good Hope, Northwest Territories.

The Corporation is exempt from income tax under subsection 149(1) of the Income Tax Act. The Corporation is economically dependent on development projects with, and funding received from, the Government of Northwest Territories. The Corporation owns 24.9% of Sahtu Dene Inn Limited Partnership.

The following summarizes the consolidated financial position and results of consolidated operations of the Corporation as at and for the year ended March 31, 2022.

	2022	2021
Consolidated Financial Position		
Total financial assets	\$ 16,282	\$ 17,104
Liabilities	11,141	11,139
Net financial assets	5,141	5,965
Total non-financial assets	406,800	400,990
Accumulated surplus	\$ 411,941	\$ 406,955
Share of accumulated surplus attributable to the Council	\$ 411,941	\$ 406,955
Financial Performance		
Revenues	\$ 5,810	\$( 65,759)
Expenses	( 824)	( 5,356)
Net earnings (loss)	\$ 4,986	\$( 71,115)
Share of net earnings (loss) attributable to the Council	\$ 4,986	\$( 71,115)
Investments:		
Investment at cost	\$ 75,000	\$ 75,000
Accumulated equity earnings	331,800	325,990
	\$ 406,800	\$ 400,990

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

### 11. Tangible Capital Assets

		2022	2021
	Cost	Accumulated Amortization	Net Book Value
Buildings	\$ 97,921	\$ 49,501	\$ 48,420
Computer equipment	152,396	151,921	475
Furniture and fixtures	34,280	30,580	3,700
Office equipment	111,948	106,263	5,685
Vehicles	2,222	2,222	-
	<hr/>	<hr/>	<hr/>
	\$ 398,767	\$ 340,487	\$ 58,280
	<hr/>	<hr/>	<hr/>
	\$ 398,767	\$ 340,487	\$ 58,280
	<hr/>	<hr/>	<hr/>
	\$ 398,767	\$ 340,487	\$ 58,280
	<hr/>	<hr/>	<hr/>
	\$ 398,767	\$ 340,487	\$ 58,280

### 12. Equity in Tangible Capital Assets

		2022	2021
Tangible capital assets	\$ 398,769	\$ 398,769	\$ 398,769
Accumulated amortization	( 340,487)	( 337,389)	( 337,389)
	<hr/>	<hr/>	<hr/>
	\$ 58,282	\$ 61,380	\$ 61,380
	<hr/>	<hr/>	<hr/>
	\$ 58,282	\$ 61,380	\$ 61,380

### 13. Accumulated Surplus

		2022	2021
Unrestricted			
General Operating Fund	\$( 44,704)	\$( 157,268)	\$( 157,268)
Enterprise Fund	389,463	384,477	384,477
Equity in Tangible Capital Assets	58,282	61,380	61,380
	<hr/>	<hr/>	<hr/>
	\$ 403,041	\$ 288,589	\$ 288,589
	<hr/>	<hr/>	<hr/>
	\$ 403,041	\$ 288,589	\$ 288,589

### 14. Government Transfers

		2022	2021
Indigenous Services Canada	\$ 509,484	\$ 473,116	\$ 473,116
Government of NWT	10,772	90,000	90,000
	<hr/>	<hr/>	<hr/>
	\$ 520,256	\$ 563,116	\$ 563,116
	<hr/>	<hr/>	<hr/>
	\$ 520,256	\$ 563,116	\$ 563,116

# FORT GOOD HOPE DENE COMMUNITY COUNCIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

### 15. Expenditure by Object

	2022	2022	2021
	Budget (Unaudited)	Actual	Actual
Administration	\$ -	\$ 25,337	\$ 98,665
Amortization	-	3,098	4,095
Bad debts (recovered)	-	88,170	( 15,968)
Bank charges and interest	-	4,038	3,961
Community events	-	43,300	-
Computer and software	-	36,085	14,159
Contracted services	-	193,413	7,774
Donations and contributions	-	3,825	-
Equipment rental	-	10,500	2,000
Freight and postage	-	2,550	2,473
Honoraria	-	38,727	-
Honoraria Chief and Council	-	56,099	-
Insurance	-	10,987	-
Licences and dues	-	-	89,322
Materials and supplies	-	59,421	64,674
Mobile equipment costs	-	5,199	-
Professional fees	-	6,142	30,910
Rent	-	60,000	-
Telephone and Internet	-	2,400	1,279
Training and scholarships	-	-	95,850
Travel and accommodation	-	-	903
Utilities	-	3,057	11,919
Wages and benefits	-	133,622	180,447
<b>Total Expenditure</b>	<b>\$ -</b>	<b>\$ 785,970</b>	<b>\$ 592,463</b>

### 16. Economic Dependence

The Council receives a major portion of its revenue from the Indigenous Services Canada of the Government of Canada, the Government of NWT and other government agencies. The nature and extent of this revenue is of such significance that the Council is economically dependent on this source of revenue.

### 17. Comparative Figures

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

# **FORT GOOD HOPE DENE COMMUNITY COUNCIL**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2022

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### **18. Financial Instruments and Risk Management**

The Nation's financial instruments are exposed to certain risks, which include credit risk, market risk, interest rate risk and liquidity risk.

Credit Risk - Credit risk refers to the potential that the funding agencies or counter party to a financial instrument will fail to discharge its contractual obligations. The Nation is exposed mainly to credit risk from funding agencies' refusal to contribute the full funding due to the Nation's non-compliance to the contribution agreements. The Nation manages credit risk by ensuring that it complies with the terms and conditions of the contribution agreements.

Interest Rate Risk - Interest rate risk is the risk that the fair value of or future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Nation does not have debts that are subject to changes in interest rate and therefore is not exposed to interest risk.

Liquidity Risk - Liquidity risk is the risk that the Nation will not be able to meet its financial obligations as they fall due. The Nation manages liquidity risk through the management of its capital structure.

Unless otherwise noted, it is management's opinion that the Nation is not exposed to other significant currency and market risks arising from these financial instruments.