

Pehdzeh Ki First Nation

Consolidated Financial Statements

March 31, 2015

Pehdzeh Ki First Nation

Financial Statements

March 31, 2015

Page

Management Responsibility Statement	3
Management Discussion and Analysis	4
Independent Auditors' Report	5-6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Accumulated Surplus	8
Consolidated Statement of Operations	9
Consolidated Statement of Accumulated Surplus	10
Consolidated Statement of Changes in Net Financial Assets (Debt)	11
Consolidated Statement of Cash Flows	12
Notes to the Consolidated Financial Statements	13-32
Schedules to the Consolidated Financial Statements	
Schedule 1 - Others - Revenues and expenses	33
Schedule 2 - AANDC - Revenues and expenses	35
Schedule 3 - Dehcho First Nation - Revenues and expenses	36
Schedule 4 - GNWT Department of Transportation - Revenues and expenses	37
Schedule 5 - GNWT Education, Culture and Employment - Revenues and expenses	38
Schedule 6 - GNWT Environment and Natural Resources - Revenues and expenses	39
Schedule 7 - GNWT Health and Social Services - Revenues and expenses	40
Schedule 8 - GNWT Industry, Tourism and Investment - Revenues and expenses	41
Schedule 9 - GNWT Department of Justice - Revenues and expenses	42
Schedule 10 - GNWT Municipal and Community Affairs - Revenues and expenses	43-44
Schedule 11 - GNWT Northwest Territories Housing Corporation - Revenues and expenses	45
Schedule 12 - MACA Funding	46
Schedule 13 - Reconciliation of Federal Government Funding	47
Schedule 14 - Gas Tax Funding	48
Schedule 15 - Community Public Infrastructure Plan Report	49

Pehdzeh Ki First Nation

Management's Responsibility for Financial Reporting

March 31, 2015

The accompanying consolidated financial statements of the Pehdzeh Ki First Nation and all the information included in this annual report are the responsibility of management, and 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 consolidated statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The external auditors, Crowe MacKay LLP, 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 Pehdzeh Ki First Nation and meet when required.

On behalf of Pehdzeh Ki First Nation:

George Morris
Chief

[Signature]
Band manager

Dec 21/2015 *COUNCILOR GEORGE MORRIS ON BEHALF OF PKFN CHIEF*
Date
Dec 21, 2015
Date

Management Discussion and Analysis

Financial Position

The First Nation's financial position declined relative to the prior year with net assets decreasing by \$643,504 (2015 - \$6,116,636; 2014 - \$6,760,140). The change is mainly due to an increase in deferred revenues of \$776,392 (2015 - \$4,234,027; 2014 - \$3,457,635) which reflects the accrual of CPI and Gas Tax funding in the current year. Accounts receivable increased \$834,917 (2015 - \$2,793,106; 2014 - \$1,958,189) due mainly to the accrual of CPI funding of \$692,000 and Gas Tax funding of \$170,257. Accounts payable increased \$116,476 (2015 - \$515,889; 2014 - 399,413) due mainly to the finance officer position being vacant for various periods of time with the result that bookkeeping and related matters, including accounts payable administration fell behind. In addition, vacation payable increased \$49,673 due to corrections made in the current year and the accrual of \$31,550 payable to the Department of Justice for funding received but not expended on the Justice Coordinator Program. Tangible capital assets decreased \$438,868 related to amortization. A total of \$174,561 of new asset purchases were incurred in the year (2014 - \$50,398).

Financial liabilities remain greater than financial assets resulting in a net financial debt position for the year. Net financial debt increased \$172,337 (2015 - \$451,485; 2014 - \$279,148). As stated above, accounts receivable increased \$834,917 and accounts payable increased \$116,476. This was offset by an increase in deferred revenues of \$776,392. Other financial assets and liabilities decreased by \$42,237.

A deficiency of revenues over expenditures of \$643,504 was reported in the current year relative to a deficiency of \$188,746 in 2014. Revenues decreased \$21,414 due mainly to a decrease in AANDC funding of \$104,465 and a decrease in GNWT funding of \$78,848 due to less overall projects in the current year. Rental revenue decreased \$66,430 as the water treatment plant, which had seen significant equipment rentals to Rowe's Construction, was completed in the current year. This was offset by increased funding from Dehcho Health and Social Services (\$32,600), NWT Housing Corporation (\$10,000) increased water and sewer fees (\$84,861) and other revenues (\$77,139). Overall, expenses increased \$681,851. Significant among expenses are an increase in wages, honoraria and benefits of \$378,983 due to more labour intensive projects in the current year and adjustments to vacation and lieu time accruals, and increase of \$202,549 in bad debts expense, increased travel of \$65,636 as Department of Transportation contracts and settlements with various subsidiaries required more extensive travel and and increase in Office and Administration of \$58,825 due to servicing more members which resided in the community in the current year and an increase in the labour force which required more administration. Significant among decreases in expenses was a decrease of \$103,087 in amortization due to declining balance methods applied.

Overall the Band's total cash position has decreased in the current year. Total cash consists of cash in bank of \$1,582,271 (2014 - \$1,627,102). In addition, the First Nation has deferred revenues of \$4,234,027 (2014 - \$3,457,635). As a result, the First Nation's uncommitted cash position is in a deficit position of \$2,651,756 (2014 - \$1,830,533). Included in accounts receivable are CPI of \$1,584,000 and Gas Tax of \$169,575. Factoring in receipt of these balances reduces the uncommitted cash deficit to \$1,067,756. The First Nation does not have sufficient funds in separate bank accounts as required to meet its obligations under the Gas Tax and Community Public Infrastructure Programs.

Cash flows decreased and remain in a deficit balance with a current year decrease of \$44,831 (2014 - \$4,598). Significant among the decrease is an increase in accounts receivable \$834,917, an increase in accounts payable of \$116,477 and an increase in deferred revenues of \$776,392.



Band Manager
December 18, 2015

Independent Auditors' Report

To the Chief and Council of Pehdzeh Ki First Nation

We have audited the accompanying consolidated financial statements of Pehdzeh Ki First Nation, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations, accumulated surplus, change in net debt, cash flows and the related schedules 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' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the 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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Independent Auditors' Report (continued)

Basis for Qualified Opinion

Pehdzeh Ki First Nation owns a 100% interest in Pehdzeh Ki Contractors Ltd, Petanea Corporation and Pehdzeh Ki Development Corporation. It also has a 50% equity interest in Ti K'edeh Enterprises Ltd. and a 50% interest in Ndulee Enterprises Ltd. We were unable to obtain sufficient appropriate audit evidence about equity adjustments recorded in the current year because the financial statements of these companies are not available as they are either inactive or the financial statements are not yet completed. . As such, we are unable to determine if further adjustments were necessary to the investments in subsidiary and investee companies, equity in subsidiary and investee earnings, deficiency of revenues over expenditures and changes in net debt.

Pehdzeh Ki First Nation derives a material amount of revenue from donations and fundraising activities. We were not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for accounts receivable, donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

The First Nation operates a landfill. Under Canadian public sector accounting standards reporting requirements, the First Nation must estimate the closure and post-closure costs associated with the remediation of the landfill. The First Nation has not recorded an estimate of these costs due to uncertainty as to ultimate responsibility for the liability. Due to the complexity of such an estimate, we are not able to satisfy ourselves as to an appropriate value by any other means. Accordingly, we were unable to determine if adjustments may be necessary for liabilities associated with the landfill.

Qualified opinion

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

Yellowknife, Canada
December 18, 2015

Crowe MacKay LLP
Chartered Accountants

Consolidated Statement of Financial Position

2014
Restated
(Note 15)

Cash (Note 5)	\$ 1,582,271	\$ 1,627,102
Accounts receivable (Note 7)	2,793,106	1,958,189
Investments in government business enterprises (Note 8)	163,523	163,323
	4,538,900	3,748,614

Accounts payable and accrued liabilities (Note 9)	515,889	399,413
Deferred revenue (Note 10)	4,234,027	3,457,635
Contributions repayable (Note 11)	18,380	50,266
Loan payable (Note 12)	222,089	120,448
	4,990,385	4,027,762

(451,485) (279,148)

Tangible capital assets (Note 13)	6,568,121	7,006,989
Prepaid expenses and deposits	-	32,299
	6,568,121	7,039,288

\$ 6,116,636	\$ 6,760,140
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George Mose, Chief *COMMUNAL GEORGE MOSES ON BEHALF*
J. Hall, Band manager *OF PKFN CHIEF*

7

Pehdzeh Ki First Nation

Consolidated Statement of Changes in Accumulated Surplus

For the year ended March 31,

				2015	2014 Restated (Note 15)
	General Operating	Water and Sewer	Equity in Tangible Capital Assets		
Excess (deficiency) of revenue over expenses	\$ (578,721)	\$ (64,783)	\$ -	\$ (643,504)	\$ (188,747)
Net interfund transfers					
Amortization	423,253	168,316	(591,569)	-	-
Acquisition of tangible capital assets	(174,561)	-	174,561	-	-
Disposal of tangible capital assets	21,860	-	(21,860)	-	-
Loan advances	128,628	-	(128,628)	-	-
Loan repayments	(26,988)	-	26,988	-	-
Changes in fund balances	(206,529)	103,533	(540,508)	(643,504)	(188,747)
Opening accumulated surplus, as previously stated	(394,876)	306,570	6,984,040	6,895,734	7,117,205
Correction of accounting errors (Note 15)	(135,594)	-	-	(135,594)	(168,318)
Opening accumulated surplus, as restated	(530,470)	306,570	6,984,040	6,760,140	6,948,887
Accumulated surplus, end of year	\$ (736,999)	\$ 410,103	\$ 6,443,532	\$ 6,116,636	\$ 6,760,140

The accompanying notes are an integral part of the financial statements

Pehdzeh Ki First Nation

Consolidated Statement of Operations

For the year ended March 31	2015	2014 Restated (Note 15)
Revenue		
Aboriginal Affairs and Northern Development	\$ 252,706	\$ 357,151
Government of the Northwest Territories	2,490,960	2,569,808
Dehcho Health and Social Services	32,600	-
Rental Income	59,150	125,580
Water and sewage fees	227,965	143,104
NWT Housing Corporation	10,000	-
Interest Revenue	4,580	6,971
Donations	1,100	66,400
Dehcho First Nation	98,497	86,502
Other contributions and other revenues	231,781	154,642
Contributions refundable	(18,380)	(27,820)
Deferred revenue transfers	(779,224)	(849,189)
	2,611,735	2,633,149
Expenses		
Band Government	3,133,241	2,301,314
Community Services	194,159	254,930
Economic Development	175,323	362,193
Education	500	15,417
Health	124,008	24,779
Social Services	13,253	-
	3,640,484	2,958,633
Deficiency of revenue over expenses before other items	(1,028,749)	(325,484)
Other items		
Tangible capital asset purchases (Contra)	174,561	50,398
Equity earnings	-	62,991
Recovery of investments in subsidiaries	210,684	23,349
	385,245	136,738
Deficiency of revenue over expenses	\$ (643,504)	\$ (188,746)

The accompanying notes are an integral part of the financial statements

Pehdzeh Ki First Nation**Consolidated Statement of Accumulated Surplus**

For the year ended March 31	2015	2014 Restated (Note 15)
<hr/>		
Accumulated surplus, beginning of year		
As previously stated	\$ 6,895,734	\$ 7,117,205
Correction of accounting errors (Note 15)	(135,594)	(168,318)
<hr/>		
As restated	6,760,140	6,948,887
Deficiency of revenue over expenses	(643,506)	(188,747)
<hr/>		
Accumulated surplus, end of year	\$ 6,116,634	\$ 6,760,140
<hr/>		

The accompanying notes are an integral part of the financial statements

Pehdzeh Ki First Nation

Consolidated Statement of Change in Net Debt

For the year ended March 31	2015	2014 Restated (Note 15)
Deficiency of revenue over expenses	\$ (643,504)	\$ (188,746)
Acquisition of tangible capital assets	(174,561)	(50,398)
Amortization of tangible capital assets	591,569	694,656
Proceeds on disposal of tangible capital assets	- 8,500	-
Loss on disposal of tangible capital assets	13,360	-
	438,868	644,258
Use of prepaid expenses and deposit	32,299	7,684
Correction of accounting errors (Note 15)	-	(168,318)
(Decrease) increase in net financial assets	(172,337)	294,878
Net debt, beginning of year	(279,148)	(574,026)
Net debt, end of year	\$ (451,485)	\$ (279,148)

The accompanying notes are an integral part of the financial statements

Pehdzeh Ki First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2015

2015

2014
Restated
(Note 15)

Cash flows from

Operating activities

Deficiency of revenue over expenses	\$ (643,504)	\$ (188,746)
Items not affecting cash		
Amortization	591,569	694,656
Loss on disposal of tangible capital assets	13,360	-
Income from investment in government business enterprises	-	(62,991)
Writedown (recovery) of advances to government business enterprises	(98,807)	(23,350)
	(137,382)	419,569

Change in non-cash operating working capital

Accounts receivable	(834,917)	(1,715,171)
Prepaid expenses and deposits	32,299	7,685
Accounts payable and accrued liabilities	116,477	(152,897)
Deferred revenue	776,392	1,541,189
Contributions repayable	(31,886)	16,998
GST receivable	-	(54,738)

(79,017) 62,635

Capital activities

Acquisition of tangible capital assets	(174,561)	(50,398)
Proceeds on disposal of tangible capital assets	8,500	-

(166,061) (50,398)

Financing activities

Repayment of loan	(26,988)	(40,185)
Proceeds from loans	128,628	-

101,640 (40,185)

Investing activities

Recovery of advances to government business enterprises	98,807	23,350
Acquisition of shares in Petanea Corporation	(100)	-
Acquisition of shares in Pehdzeh Ki Development Corporation	(100)	-

98,607 23,350

Decrease in cash and cash equivalents

(44,831) (4,598)

Cash and cash equivalents, beginning of year

1,627,102 1,631,700

Cash and cash equivalents, end of year

\$ 1,582,271 \$ 1,627,102

The accompanying notes are an integral part of the financial statements

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

1. Nature of Operations

The Pehdzeh Ki First Nation (the "First Nation") is established pursuant to the *Indian Act* of Canada. The First Nation Chief and Council administers the affairs of the First Nation. The First Nation is classified as an Indian Band which is a non-taxable entity under section 149 of the *Income Tax Act*. Operating activities of the First Nation include the administration and delivery of services to the community of Wrigley, Northwest Territories.

2. Basis of Presentation and Significant Accounting Policies

The financial statements of the First Nation are the representation of management prepared in accordance with the Canadian public sector accounting standards, as established by the Public Sector Accounting Board of the Canadian Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the First Nation are as follows:

(a) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

(b) Reporting entity

These financial statements reflect the assets, liabilities, revenues and expenditures, changes in net financial debt and change in financial position of the reporting entity. This entity is comprised of the operations plus all of the organizations that are owned or controlled by the First Nation and are, therefore, accountable to Chief and Council for the administration of their financial affairs and resources. The First Nation owns 100% of the issued and outstanding shares of Pehdzeh Ki Contractors Ltd, Petanea Corporation and Pehdzeh Ki Development Corporation. In addition, the First Nation has 50% interests in Ndulee Enterprises Ltd. and Ti K'edeh Enterprises Ltd. Finally, the First Nation has a 14% interest in Dehcho Helicopters Regional Limited Partnership.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

2. Basis of Presentation and Significant Accounting Policies (continued)

(c) Revenue recognition

Government transfers

Government transfers are the transfer of monetary assets or tangible capital assets from a government for which the government making the transfer does not:

- receive any goods or services directly in return;
- expect to be repaid in the future; or
- expect a direct financial return.

Government transfers are recognized as revenues when the transfer is authorized and any eligible 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. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

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

Capital transfers or transfers of restricted funding tangible capital assets are initially recognized as deferred revenue and subsequently recognized as revenue when the related tangible capital assets are acquired or built or eligible expenses incurred.

Contributions

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Other sources of revenues

Administration fee revenue is recognized when the services have been performed and collection is reasonably assured. Certain contributions and government transfers for projects allow for administration fee expenses which are charged to the project when incurred and a corresponding administration fee revenue is recognized.

Municipal services include water and sewer fees and is recognized when the services are provided and collection is reasonably assured.

Other income which includes donations, rental, and other funding are recognized when received or receivable and collection is reasonably assured.

Transfers are internal reallocations of project funds received or receivable to other eligible projects as specified in the funding agreement.

Interest income is recognized as it is earned.

(d) Contributions refundable

Contributions repayable consist of unspent deposits received for which deferment to future periods is not allowed under the terms of the contribution agreement.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

2. Basis of Presentation and Significant Accounting Policies (continued)

(e) Deferred revenue

Deferred revenue consists of non-refundable deposits which will be used up by the First Nation following the year end. Funding received for restricted purposes that has not been expended is required to be deferred. Where the commitments of the First Nation under the funding agreement have been met, any remaining balance will be recognized in income in the period the related expenses are incurred.

(f) Net financial debt

The First Nation's financial statements are presented so as to highlight net financial debt as the measurement of financial position. The net financial debt of the First Nation is determined by its liabilities less its financial assets. Net financial debt is comprised of two components, non-financial assets and accumulated surplus.

(g) Principles of consolidation

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

Under the modified equity method of accounting, only the First Nation's investments in the government business enterprises and the government business partnerships and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of enterprises that are different from those of the First Nation.

Organizations accounted for on a modified equity basis include:

1. Pehdzeh Ki Contractors Ltd. (wholly owned subsidiary)
2. Petanea Corporation (wholly owned subsidiary)
3. Pehdzeh Ki Development Corporation. (wholly owned subsidiary)
4. Ndulee Enterprises Ltd. (50% interest)
5. Ti K'edeh Enterprises Ltd. (50% interest)
6. Dehcho Helicopter Limited Regional Partnership (14% interest)

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

2. Basis of Presentation and Significant Accounting Policies (continued)

(h) 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.

The cost, less residual value, of the tangible capital assets are amortized over their estimated useful lives as follows:

Buildings	4 - 10% Declining balance
Computers	30% Declining balance
Machinery and equipment	30% Declining balance
Vehicles	30% Declining balance
Water Treatment Plant	5 - 10% Declining balance

One half the regular amortization is recorded in the year of acquisition for assets using the declining balance method. No amortization is recorded in the year of disposal.

(i) Tangible capital assets under capital lease

Leases that transfer substantially all the benefits and risks incidental to the ownership of property are recorded as capital leases. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Amortization is based upon the assets estimated useful life using the methods and rates described in Note 2(h). All other leases are accounted for as operating leases and payments are expensed as incurred.

(j) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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 that may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible assets and prepaid expenses.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

2. Basis of Presentation and Significant Accounting Policies (continued)

(l) Segment disclosures

Segment financial information for certain departments is provided in Schedule A. The accounting policies used in these segments is consistent with those followed in preparation of the consolidated financial statements as disclosed in Note 2 . Revenues not directly attributable to a specific segment are shown in the General Government Services revenue. The segments include:

- 1) Band Government which provides internal support to the Council and other departments that provide direct services to band members;
- 2) Community services which provides programs of interest to various interest groups within the community.
- 3) Economic Development which provides support and programs to the community to foster job creation and economic growth;
- 4) Education which provides educational services and programs to the community;
- 5) Health which provides health services and related programs to the community;
- 6) Social Services which provides support services and programs to the community to assist in promoting community justice and to reduce or prevent issues of public concern such as crime, drug and alcohol abuse.

(m) 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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(n) Sewage lagoon and solid waste landfill closure and post closure liabilities

The First Nation operates a sewage lagoon and a solid waste landfill site but their ownership has not been clarified with the Government of Northwest Territories. Site closure and post closure costs are recognized in full when information is available to estimate the liabilities for these facilities. To date the First Nation does not have complete information required to estimate the existing closure costs, if any. As a result, the assets and related closure and post closure liabilities for these facilities are not recorded in the consolidated financial statements/

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

2. Basis of Presentation and Significant Accounting Policies (continued)

(o) Liability for contaminated sites

The First Nation is still assessing the impact and adoption of PSAS Section PS3260 - Liability for contaminated sites. The First Nation will adopt the accounting standard once the responsibility and obligation for remediation of contaminated sites has been clarified with the Government of Northwest Territories.

An obligation for remediation is recognized as a liability when all criteria below are satisfied:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the First Nation:
 - i) is directly responsible; or
 - ii) accepts responsibility;
- d) it is expected that the future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

As of March 31, 2015 it is not determinable whether a liability exists and thus none was recognized.

3. Change in accounting policy:

Liability for contaminated sites, Section PS 3260

Effective April 1, 2014, the First Nation adopted Section PS 3260, Liability for Contaminated Sites issued by the Canadian Public Sector Accounting Standards Board. This section establishes standards for governments and government type organizations reporting under Canadian public sector accounting standards about how to account for and report a liability which is associated with the remediation of a contaminated site. The change in accounting policy has been applied prospectively.

The adoption of PS 3260 does not have an impact on the measurement of the First Nation's liabilities

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

4. Future accounting changes

Financial Instruments, Section PS 3450 and related amendments to Financial Statement Presentation, Section PS 1200

PSAB approved new Section PS 3450, Financial Instruments, and related to Section PS 1201, Financial Statement Presentation. The effective date for Section PS 3450 is April 1, 2012 for government organizations and April 1, 2016 for Governments. Earlier adoption is permitted. Governments and government organizations adopt Section PS 3450 in the same fiscal year Section PS 2601, Foreign Currency Translation, is adopted.

The impact of the transition to these accounting standards has not yet been determined.

Inter-entity Transactions, Section PS 3420

PSAB approved Section PS 3420, Inter-entity Transactions. The effective date for Section PS 3420 is April 1, 2017. Earlier adoption is permitted. This Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This section may be applied in conjunction with Related Party Disclosures, Section PS 2200.

The impact of the transition to these accounting standards has not yet been determined.

Portfolio Investments, Section PS 3041 Related party disclosures, Section PS 2200

In December of 2014, PSAB approved Section PS 2200, Related Party Disclosures. The new section defines related parties and establishes disclosures required for related party transactions. It is expected that reasonable efforts would be made to identify related party transactions. This may involve adopting policies and procedures designed to ensure that these transactions are appropriately identified, measured and disclosed in the financial statements. Not all related party relationships or transactions occurring between related parties are required to be disclosed. Disclosure is generally required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated. However, not all of these transactions are reportable under this Section. Only those transactions that have or could have a material financial effect on the financial statements are disclosed.

The effective date for Section PS 2200 is April 1, 2017. Earlier adoption is permitted. The impact of the transition to these accounting standards has not yet been determined.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

5. Cash

	2015	2014
Externally restricted		
CIBC - Gas tax funding	\$ 811,848	\$ 808,989
CIBC - Community public infrastructure	490,192	488,563
	1,302,040	1,297,552
Unrestricted		
CIBC - General	277,210	329,550
Cash on hand	3,021	-
	280,231	329,550
	\$ 1,582,271	\$ 1,627,102

6. Restricted deposits

	2015 Restricted Deposits	2015 Required Balance	2015 Excess (Deficiency)
Deposits for Deferred Revenue:			
Gas Tax Funding	\$ 811,848	\$ 1,331,776	\$ (520,185)
Community Public Infrastructure	490,192	2,712,187	(2,294,243)
Community Capacity Building	-	133,579	(133,579)
	\$ 1,302,040	\$ 4,177,542	\$ (2,948,007)

Sufficient funds must be deposited in separate bank accounts for the Community Public Infrastructure and Gas Tax funds. Interest earned on these accounts is credited to the appropriate restricted deposits. At March 31, 2015, the First Nation is not in compliance with the Government of the Northwest Territories, department of Municipal and Community Affairs' policies and guidelines.

Amounts totaling \$2,416,514 are included in accounts receivable and which reduces the deficiency to \$531,493.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

7. Accounts Receivable

	2015	2015	2015	2014
	Gross	Allowance	Net	Net Restated (Note 15)
Trade accounts receivable	\$ 238,600	\$ (118,478)	\$ 120,122	\$ 178,956
Government of Canada	48,456	(13,148)	35,308	58,237
Government of the Northwest Territories	2,576,206	(108,392)	2,467,813	1,628,213
Dehcho First Nations	55,126	(11,398)	43,727	4,099
Goods and services tax recoverable	126,136	-	126,136	88,684
	\$ 3,044,524	\$ (251,416)	\$ 2,793,106	\$ 1,958,189

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

8. Investments in government business enterprises

	2015	2014
Dehcho Helicopters		
Limited Partnership Units	\$ 50,000	\$ 50,000
Share of equity in retained earnings since date of acquisition	113,123	113,123
	163,123	163,123
Pehdzeh Ki Contractors Ltd.		
Share Capital	100	100
Due from Pehdzeh Ki Contractors Ltd.	203,763	182,161
Valuation allowance	(203,763)	(182,161)
	100	100
Ti K'edeh Enterprises Ltd		
Share capital	50	50
Share of equity in retained earnings since date of acquisition	-	35,353
Valuation allowance	-	(35,353)
	50	50
Ndulee Entreprises Ltd		
Share capital	50	50
Contributed surplus	-	30,000
Management fee receivable	-	116,200
Valuation allowance	-	(146,200)
	50	50
Petanea Corporation		
Share capital	100	-
Pehdzeh Ki Development Corporation		
Share capital	100	-
	\$ 163,523	\$ 163,323

The First Nation resolved to write-down the value of its investments in Pehdzeh Ki Contractors Ltd., Ti K'edeh Enterprises Ltd. and Ndulee Enterprises Ltd. to a nominal value based on estimated recoverable amounts.

During the current year, the First Nation incorporated Petanea Corporation and Pehdzeh Ki Development Corporation. Both corporations were inactive during the fiscal year.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

9. Accounts payable and accrued liabilities

	2015	2014
Trade accounts payable	\$ 372,631	\$ 299,095
Accrued Liabilities	63,078	75,346
Vacation Payable	52,110	2,437
Government of Northwest Territories	28,070	22,535
	\$ 515,889	\$ 399,413

10. Deferred revenue

	March 31, 2014 (Restated Note15)	Funding recognized, 2015	Revenue deferred, 2015	March 31, 2015
Government of the Northwest Territories				
Health and Social Services - Community Wellness	\$ 36,690	\$ -	\$ 14,720	\$ 51,410
Brighter Futures	2,832	(2,832)	-	-
Municipal and Community Affairs				
Community Public Infrastructure	2,141,117	-	571,070	2,712,187
Gas Tax	1,158,660	-	173,116	1,331,776
Community Capacity Building	113,579	-	-	113,579
Other Programs				
New Horizon for Seniors	4,757	-	20,318	25,075
	\$ 3,457,635	\$ (2,832)	\$ 779,224	\$ 4,234,027

The First Nation does not have sufficient cash nor investments as per Note 6 to cover their deferred revenue (net of accounts receivables).

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

11. Contributions repayable

	2015	2014
Aboriginal Affairs and Northern Development Canada	\$ 2,182	\$ 1,018
Government of the Northwest Territories:		
Industry, Tourism and Investment	5,424	27,450
Justice	10,775	3,424
Health and Social Services	-	4,504
Transportation	-	672
Municipal and Community Affairs	-	9,151
Education, Culture and Employment	-	1,946
Dehcho First Nation	-	2,101
	\$ 18,380	\$ 50,266

12. Loans payable

	2015	2014
Ford Credit Canada Ltd. demand loan, payable in blended monthly payments of \$1,150 bearing interest at 7.99% per annum. Balance paid in full during the fiscal year.	\$ -	\$ 6,729
Arctic Canada Cooperatives Ltd. demand loan, was due in full on July 14, 2011 without interest, secured by Co-op store and hotel (net book value - \$nil).	97,500	97,500
Ford Credit Canada Ltd. demand loan, payable in blended monthly payments of \$784 bearing interest at 9.89% per annum. Balance paid in full during the fiscal year.	-	16,219
Ford Credit Canada Ltd. demand loan, payable in blended monthly payments of \$1,332 bearing interest at 6.19% per annum, secured by Ford F250 truck (net book value - \$42,765).	52,340	-
Ford Credit Canada Ltd. demand loan, payable in blended monthly payments of \$607 bearing interest at 4.4% per annum, secured by Ford F150 truck (net book value - \$32,478).	32,478	-
Ford Credit Canada Ltd. demand loan, payable in blended monthly payments of \$743 bearing interest at 4.4% per annum, secured by Ford F150 truck (net book value - \$39,771).	39,771	-
	222,089	120,448
Less current portion	123,976	113,906
	\$ 98,113	\$ 6,542

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

12. Loans payable, continued

Principal portion of long-term debt due within the next five years:

2016	\$	123,976
2017		27,903
2018		29,420
2019		25,381
2020 and thereafter		15,409
		<hr/>
		\$ 222,089

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

13. Tangible Capital Assets

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2015 net book value
Buildings	\$ 6,293,994	\$ -	\$ -	\$ 6,293,994	\$ 1,632,638	\$ 270,612	\$ -	\$ 1,903,250	\$ 4,390,744
Computer equipment	24,407	-	-	24,407	19,651	1,804	-	21,455	2,952
Machinery & Equipment	1,191,534	52,000	-	1,243,534	996,247	58,586	-	1,054,833	188,701
Vehicle	1,456,410	122,561	(25,719)	1,553,252	881,869	181,151	(3,859)	1,059,162	494,090
Water and Waste	1,929,250	-	-	1,929,250	358,200	79,416	-	437,616	1,491,634
	\$ 10,895,595	\$ 174,561	\$ (25,719)	\$ 11,044,437	\$ 3,888,605	\$ 591,569	\$ (3,859)	\$ 4,476,316	\$ 6,568,121

	Cost				Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2014 Net book value
Buildings	\$ 6,293,994	\$ -	\$ -	\$ 6,293,994	\$ 1,343,214	\$ 289,424	\$ -	\$ 1,632,638	\$ 4,661,356
Computer equipment	22,327	2,080	-	24,407	17,687	1,964	-	19,651	4,756
Machinery & Equipment	1,168,935	22,599	-	1,191,534	917,396	78,851	-	996,247	195,287
Vehicle	1,430,691	25,719	-	1,456,410	641,150	240,720	-	881,869	574,540
Water and Waste	1,929,250	-	-	1,929,250	274,503	83,697	-	358,200	1,571,050
	\$ 10,845,197	\$ 50,398	\$ -	\$ 10,895,595	\$ 3,193,950	\$ 694,656	\$ -	\$ 3,888,605	\$ 7,006,989

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

14. Government Transfers

	Operating	Capital	2015 Total
Federal government transfers			
Aboriginal Affairs and Northern Development Canada	\$ 252,705	\$ -	\$ 252,705
Territorial transfers			
GNWT MACA - Community Public Infrastructure	-	692,000	692,000
GNWT MACA - Gas Tax	-	170,257	170,257
GNWT MACA - Operations and maintenance	605,000	-	605,000
GNWT MACA - Water and sewage	383,478	-	383,478
GNWT MACA - Utility costs	149,000	-	149,000
GNWT MACA - Insurance	47,000	-	47,000
GNWT MACA - Mobile equipment	29,000	-	29,000
GNWT MACA - Other	48,285	-	48,285
GNWT Health and Social Services	138,782	-	138,782
GNWT Education, Culture and Employment	78,047	-	78,047
GNWT Environment and Natural Resources	70,769	-	70,769
GNWT Industry, Tourism and Investment	52,665	-	52,665
GNWT Department of Justice	20,775	-	20,775
GNWT Other	5,902	-	5,902
	\$ 1,881,408	\$ 862,257	\$ 2,743,665

	Operating	Capital	2014 Total
Federal government transfers			
Aboriginal Affairs and Northern Development Canada	\$ 357,151	\$ -	\$ 357,151
Territorial transfers			
GNWT MACA - Community Public Infrastructure	-	692,000	692,000
GNWT MACA - Gas Tax	-	170,257	170,257
GNWT MACA - Operations and maintenance	581,000	-	581,000
GNWT MACA - Water and sewage	374,301	-	374,301
GNWT MACA - Utility costs	149,000	-	149,000
GNWT MACA - Insurance	47,000	-	47,000
GNWT MACA - Mobile equipment	29,000	-	29,000
GNWT MACA - Other	37,125	-	37,125
GNWT Health and Social Services	61,469	-	61,469
GNWT Education, Culture and Employment	70,108	-	70,108
GNWT Industry, Tourism and Investment	165,197	-	165,197
GNWT Department of Justice	31,550	-	31,550
GNWT Department of Transportation	146,500	-	146,500
GNWT Other	15,301	-	15,301
	\$ 2,064,702	\$ 862,257	\$ 2,926,959

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

15. Correction of Accounting Errors

Corrections to the financial statements for the year ended March 31, 2014 have been made to record \$692,000 of Community Public Infrastructure funding for each of the years ending March 31, 2013 and 2014, for a total funding of \$1,384,000. A correction has been made to record \$54,739 in GST rebates which were directly applied against the payroll remittance balance outstanding in the 2013 fiscal year by the Canadian Revenue Agency (CRA). In addition, a correction has been made to record Gas Tax Contributions of \$170,257 which had previously not been accrued in the 2014 fiscal year. An amount totaling \$113,579 has been reinstated as deferred revenue related to unspent Community Capacity Building Funding which should have been carried forward from prior years. Finally, deferred revenue have been reduced \$ 32,724 to recognise additional revenue on the First Nation's 2014 AANDC Consultation and Policy Development Program. The result was to reduce 2014 income by \$32,724.

	As previously reported	As restated	Net Change
Accounts receivable, net of GST	\$ (315,248)	\$ 1,869,505	\$ 1,554,257
Deferred revenue	1,822,523	(3,457,635)	(1,635,112)
GST receivable	(143,423)	88,684	(54,739)
Accumulated Surplus - opening balance	7,117,205	6,948,887	(168,318)
Deficiency of revenue over expenses	\$ (221,471)	\$ (188,747)	\$ 32,724

16. Budget Figures

The budget for the current fiscal year was approved by the Chief and Council on May 10, 2014. The budget was not comprehensive and included only budgeted funding from Aboriginal Affairs and Northern Development Canada and Municipal and Community Affairs based on its core funding agreements. As the budget is not comprehensive no budget amounts have been disclosed in the financial statements.

Canadian public sector accounting standards ("PSAB") require disclosure of budget information for comparison to the First Nation's actual revenues and expenses. The consolidated budgeted revenues and expenses, and surplus (deficit) has not been reported in these consolidated financial statements as the approved budget is not consistent with the format of the financial results disclosed in the consolidated statement of operations and consolidated statement of change in net debt. While having no effect on reported revenues, expenses, and surplus (deficit), omission of this information is considered a departure from PSAB.

17. Economic Dependence

Pehdzeh Ki First Nation is dependent on Aboriginal Affairs and Northern Development Canada (AANDC), the Government of the Northwest Territories (GNWT) for funding. Management is of the opinion that operations would be significantly disrupted if the funding was discontinued. Management expects the funding to be continued.

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

18. Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period.

19. Expenditures

For the year ended March 31	2015 Actual	2014 Actual
Expenses		
Advertising	\$ 19,411	\$ 9,794
Amortization	591,569	694,656
Bad debts	191,216	(11,333)
Capital Purchases	52,000	50,398
Equipment purchases and rental	153,364	177,056
Gain (loss) on sale of capital assets	13,360	-
Grants and contributions	8,500	6,700
Insurance	102,119	78,577
Interest and bank charges	8,771	8,325
Interest on long-term debt	-	3,835
Materials and supplies	174,211	153,795
Medical and funeral expenses	25,259	12,647
Office and administrative expenses	81,438	22,613
Petroleum and Oil	209,581	169,794
Professional fees	178,222	197,401
Program entertainment and prizes	56,070	13,608
Rent	21,401	2,145
Repairs and maintenance	16,082	37,356
Return of Surplus	31,780	-
Subcontract	1,500	127,471
Translation	150	-
Travel	159,954	94,318
Utilities and telephone	257,867	237,393
Vehicle	47,618	12,026
Wages, honoraria, and benefits	1,239,041	860,058
	\$ 3,640,484	\$ 2,958,633

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

20. Segmented information

	Band Government 2015 Actual	2014 Actual	Community Services 2015 Actual	2014 Actual	Economic Development 2015 Actual	2014 Actual
Revenues						
Aboriginal Affairs and Northern Development	\$ 176,032	\$ 337,271	\$ 52,084	\$ 19,880	\$ 24,589	\$ -
Government of the Northwest Territories	2,152,406	2,044,259	147,107	138,019	52,665	311,698
Dehcho Health & Social Services	32,600	-	-	-	-	-
Dehcho First Nation	5,100	1,514	-	-	93,397	84,988
Deferred revenue transfers	(744,186)	(814,268)	(20,318)	-	-	1,769
Other revenue	504,101	327,699	7,019	139,267	(5,423)	857
Total revenue	2,126,053	1,896,475	185,892	297,166	165,228	399,312
Expenses						
Wages, honoraria, and benefits	967,945	649,762	127,830	145,162	114,741	58,183
Amortization	591,568	694,656	-	-	-	-
Interest on long-term debt	-	3,835	-	-	-	-
Other expenses	1,573,728	953,061	66,330	109,768	60,582	304,010
Total expenses	3,133,241	2,301,314	194,160	254,930	175,323	362,193
Other income	(1,007,188)	(404,839)	(8,268)	42,236	(10,095)	37,119
	385,245	126,764	-	1,115	-	8,359
Annual surplus (deficit)	\$ (621,943)	\$ (278,075)	\$ (8,268)	\$ 43,351	\$ (10,095)	\$ 45,478

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

20. Segmented information, continued

	Education		Health		Social Services	
	2015	2014	2015	2014	2015	2014
	Actual	Actual	Actual	Actual	Actual	Actual
Revenues						
Government of the Northwest Territories	\$ -	\$ 14,363	\$ 138,782	\$ 61,469	\$ -	\$ -
Deferred revenue transfers	-	-	(14,720)	(36,690)	-	-
NWT Housing Corporation	-	-	-	-	10,000	-
Other revenue	500	1,054	-	-	-	-
Total revenue	500	15,417	124,062	24,779	10,000	-
Expenses						
Wages, honoraria, and benefits	-	5,124	26,702	1,827	1,824	-
Other expenses	500	10,293	97,306	22,952	11,429	-
Total expenses	500	15,417	124,008	24,779	13,253	-
Other income	-	-	54	-	(3,253)	-
Annual surplus (deficit)	\$ -	\$ 500	\$ 54	\$ -	\$ (3,253)	\$ -

Pehdzeh Ki First Nation

Notes to Consolidated Financial Statements

March 31, 2015

20. Segmented information, continued

	Consolidated totals 2015 Actual	2014 Actual Restated
Revenues		
Aboriginal Affairs and Northern Development Government of the Northwest Territories	\$ 252,705 \$ 2,490,960	\$ 357,151 2,569,808
Dehcho Health & Social Services	32,600	-
Dehcho First Nation	98,497	86,502
Deferred revenue transfers	(779,224)	(849,189)
NWT Housing Corporation	10,000	-
Other revenue	506,197	468,877
Total revenue	2,611,735	2,633,149
Expenses		
Wages, honoraria, and benefits	1,239,042	860,058
Amortization	591,568	694,656
Interest on long-term debt	-	3,835
Other expenses	1,809,875	1,400,084
Total expenses	3,640,485	2,958,633
Other income	(1,028,750) 385,245	(325,484) 136,738
Annual surplus (deficit)	\$ (643,505)\$	(188,746)

Pehdzeh Ki First Nation

Others - Revenues and expenses

For the year ended March 31,

	PKFN Store - Ice Road Shoppers	General Fund	Youth Canteen	National Aboriginal Day	New Horizons for Seniors	Canada Post	NWT Literacy Council
Revenues							
Aboriginal Affairs and Northern Development \$	-	\$ -	\$ -	\$ -	\$ 22,960	\$ -	\$ -
Government of the Northwest Territories	-	4,902	-	1,000	-	-	-
Dehcho Health and Social Services	-	32,600	-	-	-	-	-
Other revenues	16,971	163,033	1,477	-	-	18,885	500
Rental Income	-	59,150	-	-	-	-	-
Donations	-	1,100	-	-	-	-	-
Dehcho First Nation	-	5,100	-	-	-	-	-
Deferred revenue transfers	-	-	-	-	(20,318)	-	-
Total Revenues	16,971	265,885	1,477	1,000	2,642	18,885	500
Expenditures							
Advertising	-	8,750	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
Bad debts	-	191,216	-	-	-	-	-
Capital	-	52,000	-	-	-	-	-
Equipment purchases and rental	-	8,677	-	-	-	405	-
Gain (loss) on sale of capital assets	-	13,360	-	-	-	-	-
Grants and contributions	-	8,500	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Interest and bank charges	-	8,033	-	-	-	-	-
Materials and supplies	7,635	27,075	1,477	706	858	-	500
Medical and funeral expenses	-	22,559	-	-	-	-	-
Office and administrative expenses	1,019	24,167	-	-	-	3,053	-
Professional fees	-	64,860	-	-	-	-	-
Program entertainment and prizes	-	39,215	-	-	-	-	-
Rent	-	20,501	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-
Return of Surplus	-	31,780	-	-	-	-	-
Subcontract	-	1,500	-	-	-	-	-
Translation	-	150	-	-	-	-	-
Travel	1,984	27,360	-	-	290	-	-
Utilities and telephone	-	31,935	-	-	-	-	-
Vehicle	479	23,401	-	-	770	-	-
Wages, honoraria, and benefits	5,854	119,736	-	294	724	14,438	-
Total Expenditures	16,971	724,775	1,477	1,000	2,642	17,896	500
Excess operating revenues	-	(458,890)	-	-	-	989	-
Other revenues (expenses)							
Tangible capital asset purchases (Contra)	-	52,000	-	-	-	-	-
Equity earnings (loss)	-	-	-	-	-	-	-
Writedown of investments in subsidiaries	-	210,684	-	-	-	-	-
Total Other revenues (expenses)	-	262,684	-	-	-	-	-
Excess annual revenues	\$ -	\$ (196,206)	\$ -	\$ -	\$ -	\$ 989	\$ -

Pehdzeh Ki First Nation

Others - Revenues and expenses

For the year ended March 31,		2015		2014
	Enbridge - Wildlife Monitoring Project	NWT Recreation & Parks Association	Actual Total	Actual Total
Revenues				
Aboriginal Affairs and Northern Development	\$ -	\$ -	\$ 22,960	\$ 1,038
Government of the Northwest Territories	-	-	5,902	1,701
Dehcho Health and Social Services	-	-	32,600	-
Other revenues	22,925	750	224,541	154,642
Rental Income	-	-	59,150	125,580
Donations	-	-	1,100	43,092
Dehcho First Nation	-	-	5,100	1,514
Deferred revenue transfers	-	-	(20,318)	-
Total Revenues	22,925	750	331,035	327,567
Expenditures				
Advertising	-	-	8,750	1,500
Amortization	-	-	-	694,656
Bad debts	-	-	191,216	(11,333)
Capital	-	-	52,000	50,398
Equipment purchases and rental	-	-	9,082	59,066
Gain (loss) on sale of capital assets	-	-	13,360	-
Grants and contributions	-	-	8,500	-
Insurance	-	-	-	(5,056)
Interest and bank charges	-	-	8,033	7,959
Materials and supplies	-	-	38,251	57,358
Medical and funeral expenses	-	-	22,559	12,552
Office and administrative expenses	1,000	-	29,239	(5,689)
Professional fees	-	-	64,860	500
Program entertainment and prizes	-	750	39,965	10,066
Rent	-	-	20,501	(98)
Repairs and maintenance	-	-	-	18,040
Return of Surplus	-	-	31,780	-
Subcontract	-	-	1,500	(687)
Translation	-	-	150	-
Travel	-	-	29,634	42,493
Utilities and telephone	-	-	31,935	-
Vehicle	-	-	24,650	3,031
Wages, honoraria, and benefits	21,925	-	162,971	55,181
Total Expenditures	22,925	750	788,936	989,937
Excess operating revenues	-	-	(457,901)	(662,370)
Other revenues (expenses)				
Tangible capital asset purchases (Contra)	-	-	52,000	(38,343)
Equity earnings (loss)	-	-	-	(62,991)
Writedown of investments in subsidiaries	-	-	210,684	(23,350)
Total Other revenues (expenses)	-	-	262,684	(124,684)
Excess annual revenues	\$ -	\$ -	\$ (195,217)	\$ (787,054)

Pehdzeh Ki First Nation

AANDC - Revenues and expenses

For the year ended March 31,					2015	2014
	AANDC - Core Band Support & Amd 5	AANDC - Band Manager	AANDC - Youth Employment Strategy AMD #3	AANDC - Capacity Building Framework	Actual Total	Actual Total
Revenues						
Aboriginal Affairs and Northern Development	\$ 166,114	\$ 9,918	\$ 29,124	\$ 24,590	\$ 229,746	\$ 356,113
Refundable contributions	-	-	(2,181)	-	(2,181)	-
Deferred revenue transfers	-	-	-	-	-	54,750
Total Revenues	166,114	9,918	26,943	24,590	227,565	410,863
Expenditures						
Advertising	8,823	-	-	-	8,823	2,058
Equipment purchases and rental	1,377	-	-	-	1,377	-
Grants and contributions	-	-	-	-	-	650
Insurance	37,767	-	-	-	37,767	-
Interest and bank charges	467	-	-	-	467	29
Materials and supplies	10,830	-	-	-	10,830	521
Medical and funeral expenses	2,100	-	-	-	2,100	-
Office and administrative expenses	7,682	-	-	115	7,797	3,044
Professional fees	46,482	-	-	-	46,482	91,829
Travel	33,273	9,918	-	-	43,191	11,645
Utilities and telephone	2,723	-	-	-	2,723	-
Vehicle	2,190	-	-	-	2,190	1,194
Wages, honoraria, and benefits	110,496	-	26,943	24,475	161,914	255,917
Total Expenditures	264,210	9,918	26,943	24,590	325,661	366,887
Excess operating revenues	(98,096)	-	-	-	(98,096)	43,976
Other revenues (expenses)						
Total Other revenues (expenses)	-	-	-	-	-	-
Excess annual revenues	\$ (98,096)	\$ -	\$ -	\$ -	(98,096)	\$ 43,976

Pehdzeh Ki First Nation

Dehcho First Nation - Revenues and expenses

For the year ended March 31,					2015	2014
	DFN - Language	DFN - Literacy	DFN - Economic Officer	DFN - AAROM	Actual Total	Actual Total
Revenues						
Dehcho First Nation	\$ 17,674	\$ 9,800	\$ 31,352	\$ 34,571	\$ 93,397	\$ 84,987
Expenditures						
Equipment purchases and rental	1,700	2,500	-	600	4,800	5,080
Materials and supplies	1,715	289	-	584	2,588	9,331
Office and administrative expenses	-	-	13	33	46	1,600
Professional fees	-	-	-	-	-	38,791
Rent	-	-	-	-	-	900
Travel	-	-	-	481	481	-
Utilities and telephone	1,802	-	-	-	1,802	150
Vehicle	1,297	4,571	-	5,657	11,525	6,463
Wages, honoraria, and benefits	11,160	2,440	31,339	27,216	72,155	27,582
Total Expenditures	17,674	9,800	31,352	34,571	93,397	89,897
Excess operating revenues	-	-	-	-	-	(4,910)
Other revenues (expenses)						
Tangible capital asset purchases (Contra)	-	-	-	-	-	(4,230)
Excess annual revenues	\$ -	\$ -	\$ -	\$ -	\$ -	(9,140)

Pehdzeh Ki First Nation

GNWT Department of Transportation - Revenues and expenses

For the year ended March 31,	2015	2014
	Actual Total	Actual Total
Revenues		
Government of the Northwest Territories	\$ -	\$ 146,500
Expenditures		
Subcontract	-	108,963
Excess annual revenues	\$ -	\$ 37,537

Pehdzeh Ki First Nation

GNWT Education, Culture and Employment - Revenues and expenses

For the year ended March 31,						2015	2014
	ECE - Driver Training	GNWT - ECE - TOJ	GNWT - ECE - Early Learning Playgroup & Nutrition	GNWT - ECE - LIASON	Elders Wood Subsidy	Actual Total	Actual Total
Revenues							
Government of the Northwest Territories	\$ 23,507	\$ 8,400	\$ 16,790	\$ 19,200	\$ 10,150	\$ 78,047	\$ 83,708
Refundable contributions	-	-	-	-	-	-	(1,946)
Total Revenues	23,507	8,400	16,790	19,200	10,150	78,047	81,762
Expenditures							
Equipment purchases and rental	-	-	-	-	-	-	1,500
Grants and contributions	-	-	-	-	-	-	1,000
Insurance	2,647	-	-	-	-	2,647	-
Materials and supplies	-	-	3,755	-	-	3,755	7,142
Office and administrative expenses	21,523	34	(564)	15	-	21,008	7,957
Professional fees	-	-	-	-	-	-	450
Rent	-	-	-	-	-	-	100
Travel	1,102	-	404	200	-	1,706	-
Vehicle	883	-	-	-	-	883	1,003
Wages, honoraria, and benefits	-	8,366	13,195	18,985	16,022	56,568	62,685
Total Expenditures	26,155	8,400	16,790	19,200	16,022	86,567	81,837
Excess operating revenues	(2,648)	-	-	-	(5,872)	(8,520)	(75)
Other revenues (expenses)							
Tangible capital asset purchases (Contra)	-	-	-	-	-	-	(500)
Excess annual revenues	\$ (2,648)	\$ -	\$ -	\$ -	\$ (5,872)	\$ (8,520)	(575)

Pehdzeh Ki First Nation

GNWT Environment and Natural Resources - Revenues and expenses

For the year ended March 31,		2015		2014	
	IRMA - Resource Pressure Funding	ENR IRMA Program Based Funding	Actual Total	Actual Total	
Revenues					
Government of the Northwest Territories	\$ 46,000	\$ 24,769	\$ 70,769	\$ -	
Expenditures					
Office and administrative expenses	453	(205)	248	-	
Professional fees	400	50	450	-	
Travel	3,909	2,132	6,041	-	
Vehicle	10	351	361	-	
Wages, honoraria, and benefits	41,228	22,441	63,669	-	
Total Expenditures	46,000	24,769	70,769	-	
Excess annual revenues	\$ -	\$ -	\$ -	\$ -	-

Pehdzeh Ki First Nation

GNWT Health and Social Services - Revenues and expenses

For the year ended March 31,	2015		2014
	GNWT Health & Social Services	Actual Total	Actual Total
Revenues			
Deferred revenue transfers	\$ (14,720)	\$ (14,720)	\$ (36,690)
Government of the Northwest Territories	138,782	138,782	61,469
Total Revenues	124,062	124,062	24,779
Expenditures			
Wages, honoraria, and benefits	26,702	26,702	1,827
Travel	17,646	17,646	12,543
Advertising	1,038	1,038	-
Office and administrative expenses	5,546	5,546	1,470
Materials and supplies	40,796	40,796	4,952
Professional fees	5,574	5,574	-
Rent	900	900	-
Vehicle	10,327	10,327	1,053
Equipment purchases and rental	1,375	1,375	-
Program entertainment and prizes	14,105	14,105	2,934
Total Expenditures	124,009	124,009	24,779
Excess annual revenues	\$ 53	\$ 53	-

Pehdzeh Ki First Nation

GNWT Industry, Tourism and Investment - Revenues and expenses

For the year ended March 31,						2015	2014
	GNWT - ITI - Seed Community Events	GNWT - ITI - Growing Forward	GNWT - ITI - Community Garden	GNWT - ITI - Community Harvesters	Actual Total	Actual Total	
Revenues							
Government of the Northwest Territories	\$ -	\$ 3,000	\$ 17,000	\$ 32,665	\$ 52,665	\$ 165,197	
Refundable contributions	-	(695)	(4,729)	-	(5,424)	(22,450)	
Donations	-	-	-	-	-	23,308	
Deferred revenue transfers	-	-	-	-	-	1,769	
Total Revenues	-	2,305	12,271	32,665	47,241	167,824	
Expenditures							
Equipment purchases and rental	-	160	-	-	160	102,108	
Interest and bank charges	-	-	-	-	-	14	
Materials and supplies	-	436	3,697	1,270	5,403	11,603	
Office and administrative expenses	-	1,246	436	-	1,682	-	
Travel	738	758	2,412	9,931	13,839	150	
Utilities and telephone	-	-	223	-	223	-	
Vehicle	-	405	536	17,714	18,655	18,858	
Wages, honoraria, and benefits	-	1,575	12,787	3,750	18,112	30,602	
Total Expenditures	738	4,580	20,091	32,665	58,074	163,335	
Excess operating revenues	(738)	(2,275)	(7,820)	-	(10,833)	4,489	
Other revenues (expenses)							
Tangible capital asset purchases (Contra)	-	-	-	-	-	(4,129)	
Excess annual revenues	\$ (738)	\$ (2,275)	\$ (7,820)	\$ -	\$ (10,833)	\$ 360	

Pehdzeh Ki First Nation

GNWT Department of Justice - Revenues and expenses

For the year ended March 31,	2015		2014
	GNWT - Justice - CJC Coordinator & Program	Actual Total	Actual Total
Revenues			
Government of the Northwest Territories	\$ 20,775	\$ 20,775	\$ 31,550
Refundable contributions	(10,775)	(10,775)	(3,423)
Total Revenues	10,000	10,000	28,127
Expenditures			
Equipment purchases and rental	-	-	1,115
Materials and supplies	316	316	5,290
Office and administrative expenses	1,050	1,050	1,363
Professional fees	-	-	849
Program entertainment and prizes	2,000	2,000	-
Travel	3,210	3,210	75
Vehicle	1,067	1,067	554
Wages, honoraria, and benefits	2,357	2,357	18,881
Total Expenditures	10,000	10,000	28,127
Excess operating revenues	-	-	-
Other revenues (expenses)			
Tangible capital asset purchases (Contra)	-	-	(1,115)
Excess annual revenues	\$ -	\$ -	\$ (1,115)

Pehdzeh Ki First Nation

GNWT Municipal and Community Affairs - Revenues and expenses

For the year ended March 31,

	D30 GNWT MACA - Gas Tax	MACA - Community Government Funding (O&M)	MACA - Community Govt - Insurance	MACA - Community Govt - Mobile Equipment	MACA - Community Govt - Utility Costs	MACA - Community Govt - Water & Sewage	MACA - CPI Capital Purchases Contra
Revenues							
Government of the Northwest Territories	\$ 170,257	\$ 605,000	\$ 47,000	\$ 29,000	\$ 149,000	\$ 383,478	\$ 692,000
Water and sewage fees	-	-	-	-	-	227,965	-
Other revenues	-	801	-	-	172	5,926	-
Interest Revenue	2,905	-	-	-	-	-	1,675
Deferred revenue transfers	(173,116)	-	-	-	-	-	(571,070)
Total Revenues	46	605,801	47,000	29,000	149,172	617,369	122,605
Expenditures							
Advertising	-	800	-	-	-	-	-
Amortization	-	423,252	-	-	-	168,316	-
Equipment purchases and rental	-	6,970	-	1,642	-	5,257	122,561
Grants and contributions	-	-	-	-	-	-	-
Insurance	-	8,764	50,317	-	-	2,626	-
Interest and bank charges	46	181	-	-	-	-	44
Interest on long-term debt	-	-	-	-	-	-	-
Materials and supplies	-	34,761	-	4,472	660	15,314	-
Medical and funeral expenses	-	600	-	-	-	-	-
Office and administrative expenses	-	10,407	-	-	-	3,010	-
Professional fees	-	21,318	-	-	-	39,538	-
Program entertainment and prizes	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-
Repairs and maintenance	-	13,790	-	223	-	1,194	-
Subcontract	-	-	-	-	-	-	-
Travel	-	25,743	-	-	-	12,388	-
Utilities and telephone	-	44,841	-	-	119,426	52,492	-
Vehicle	-	47,223	-	22,663	29,276	85,109	-
Wages, honoraria, and benefits	-	348,729	-	-	333	296,907	-
Total Expenditures	46	987,379	50,317	29,000	149,695	682,151	122,605
Excess operating revenues	-	(381,578)	(3,317)	-	(523)	(64,782)	-
Other revenues (expenses)							
Tangible capital asset purchases (Contra)	-	-	-	-	-	-	122,561
Excess annual revenues	\$ -	\$ (381,578)	\$ (3,317)	\$ -	\$ (523)	\$ (64,782)	\$ 122,561

Pehdzeh Ki First Nation

GNWT Municipal and Community Affairs - Revenues and expenses

For the year ended March 31,					2015	2014
	Children and Youth Resilency	MACA - Volunteer Recognition Policy	MACA - Recreation Development	MACA - Youth Center Operations Fund	Actual Total	Actual Total
Revenues						
Government of the Northwest Territories	\$ 15,000	\$ 1,000	\$ 14,000	\$ 18,285	\$ 2,124,020	\$ 2,079,683
Water and sewage fees	-	-	-	-	227,965	143,104
Other revenues	-	-	341	-	7,240	-
Interest Revenue	-	-	-	-	4,580	6,971
Deferred revenue transfers	-	-	-	-	(744,186)	(869,018)
Total Revenues	15,000	1,000	14,341	18,285	1,619,619	1,360,740
Expenditures						
Advertising	-	-	-	-	800	6,236
Amortization	-	-	-	-	591,568	-
Equipment purchases and rental	-	-	140	-	136,570	8,187
Grants and contributions	-	-	-	-	-	5,050
Insurance	-	-	-	-	61,707	83,634
Interest and bank charges	-	-	-	-	271	322
Interest on long-term debt	-	-	-	-	-	3,835
Materials and supplies	4,388	1,000	554	251	61,400	57,595
Medical and funeral expenses	-	-	-	-	600	95
Office and administrative expenses	-	-	1,405	-	14,822	12,868
Professional fees	-	-	-	-	60,856	64,982
Program entertainment and prizes	-	-	-	-	-	608
Rent	-	-	-	-	-	1,242
Repairs and maintenance	-	-	-	875	16,082	19,316
Subcontract	-	-	-	-	-	19,200
Travel	-	-	5,769	306	44,206	27,412
Utilities and telephone	-	-	-	4,425	221,184	237,244
Vehicle	-	-	378	2,334	186,983	149,662
Wages, honoraria, and benefits	10,612	-	6,095	10,094	672,770	407,385
Total Expenditures	15,000	1,000	14,341	18,285	2,069,819	1,104,873
Excess operating revenues	-	-	-	-	(450,200)	255,867
Other revenues (expenses)						
Tangible capital asset purchases (Contra)	-	-	-	-	122,561	(2,080)
Excess annual revenues	\$ -	\$ -	\$ -	\$ -	(327,639)	\$ 253,787

Pehdzeh Ki First Nation

GNWT Northwest Territories Housing Corporation
- Revenues and expenses

For the year ended March 31,		2015		2014
	NWTHC Small Community Homelessness Fund	Actual Total	Actual Total	
Revenues				
NWT Housing Corporation	\$ 10,000	\$ 10,000	\$ -	
Expenditures				
Wages, honoraria, and benefits	1,822	1,822	-	
Materials and supplies	10,872	10,872	-	
Vehicle	558	558	-	
Total Expenditures	13,252	13,252	-	
Excess annual revenues	\$ (3,252)	\$ (3,252)	\$ -	

SCHEDULE 12

**Pehdzeh Ki First Nation
Statement of Revenue and Expenditures
MACA Funding**

March 31, 2015

Program	MACA 14/15 funding	Other Revenue	Deferred Revenue Opening	Deferred Revenue Ending	Total Revenue	Total Expenditure	2015 Excess Revenue (Deficiency)	2014 Excess Revenue (Deficiency)
Community government funding:								
Operations and maintenance	\$ 605,000	\$ 801	\$ -	\$ -	\$ 605,801	\$ 564,128	\$ 41,673	\$ 151,725
Mobile equipment	29,000	-	-	-	29,000	29,000	-	-
Utility costs	149,000	172	-	-	149,172	149,695	(523)	-
Insurance	47,000	-	-	-	47,000	50,317	(3,317)	-
Water and Sewer	383,000	234,369	-	-	617,369	513,836	103,533	71,415
Youth centre	18,285	-	-	-	18,285	18,285	-	-
Recreation	14,000	341	-	-	14,341	14,341	-	-
Youth resiliency	15,000	-	-	-	15,000	15,000	-	-
	\$ 1,260,285	\$ 235,683	\$ -	\$ -	\$ 1,495,968	\$ 1,354,602	\$ 141,366	\$ 223,140
Other funding received:								
CPI funding	\$ 692,000							
Gas tax	170,257							
Volunteer recognition	1,000							
	\$ 2,123,542							

Pehdzeh Ki First Nation**Reconciliation of Federal Government Funding****For the year ended March 31, 2015****Indian and Northern Affairs Canada**

Revenue per financial statements (Schedule 2)	\$ 229,745
Revenue per funding confirmation	233,392
	(3,647)
Reconciling items:	
Financial Management Governance Capacity Development (01844-1)	
Consultation and Policy Development - Governance (01045 - 2)	
Consultation and Policy Development - Governance (Year 001 Amend 0006)	
- unearned holdback of \$411	411
Interim Resource Management Assistance (06834-1)	
Interim Resource Management Assistance (06834-2)	
- unearned holdback of \$3,236	3,236
Total reconciling items	\$ 3,647

Pehdzeh Ki First Nation

Gas Tax Funding

March 31,	2011	2012	2013	2014	2015	Cumulative
Funding						
Opening balance	\$ -	\$ 635,151	\$ 809,410	\$ 984,068	\$ 1,158,660	\$ -
Government transfers	635,151	170,257	170,257	170,257	170,257	1,316,179
Interest income	-	4,002	4,401	4,335	2,859	15,597
	635,151	809,410	984,068	1,158,660	1,331,776	1,331,776
Closing deferred revenue	\$ 635,151	\$ 809,410	\$ 984,068	\$ 1,158,660	\$ 1,331,776	\$ 1,331,776

Pehdzeh Ki First Nation

Community Public Infrastructure Plan Report

March 31,	2011	2012	2013	2014	2015	Cumulative
Funding						
Opening balance deferred revenue	\$ -	\$ 1,351,782	\$ 1,565,955	\$ 1,446,691	\$ 2,141,117	\$ -
Government transfers - capital	2,635,275	692,000	692,000	692,000	692,000	5,403,275
Interest income	-	7,337	4,513	2,426	1,631	15,907
	2,635,275	2,051,119	2,262,468	2,141,117	2,834,748	5,419,182
Eligible Project Costs - Capital						
Equipment purchase - D4 caterpillar	173,286	-	-	-	-	173,286
Equipment purchase - house trailers	110,207	269,671	-	-	-	379,878
Water treatment plant	1,000,000	-	-	-	-	1,000,000
Equipment purchase - sewage truck	-	151,550	-	-	-	151,550
Equipment purchase - Ford F150	-	27,238	-	-	-	27,238
Equipment purchase - Ford F350	-	36,705	34,955	-	-	71,660
Equipment purchase - fire truck	-	-	249,800	-	-	249,800
Equipment purchase - water truck	-	-	243,301	-	-	243,301
Equipment purchase - Caterpillar grader	-	-	280,478	-	-	280,478
Equipment purchase - environmental monitoring equipment	-	-	1,907	-	-	1,907
Freight and miscellaneous	-	-	1,100	-	-	1,100
Materials and supplies	-	-	4,236	-	-	4,236
Equipment purchase - Ford F250	-	-	-	-	50,312	50,312
Equipment purchase - Ford F150	-	-	-	-	32,478	32,478
Equipment purchase - Ford F150	-	-	-	-	39,771	39,771
	1,283,493	485,164	815,777	-	122,561	2,706,995
Closing deferred revenue	\$ 1,351,782	\$ 1,565,955	\$ 1,446,691	\$ 2,141,117	\$ 2,712,187	\$ 2,712,187