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Independent Auditors' Report

To the Members of Deh Gah Got'ie First Nation

We have audited the accompanying consolidated financial statements of Deh Gah Got'ie First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, change in net financial assets, and the cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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.



Basis for Qualified Opinion

The First Nation has investments in government business enterprises and other investments for which we were unable to determine the value of investments in these organizations. Specifically, the financial information for the investment in Evergreen Forestry Limited Partnership is not available for the year ended March 31, 2016 and accordingly these statements do not include any adjustments that may be necessary for the valuation of the investment and the First Nation's share of the income or loss.

The First Nation derives revenue from bingos and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the First Nation and we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenditures and net financial assets.

Qualified opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements, present fairly, in all material respects, the financial position of the First Nation as at March 31, 2016 and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Yellowknife, Canada
August 26, 2016

Crowe MacKay LLP
Chartered Accountants

Deh Gah Got'ie First Nation

Consolidated Statement of Financial Position

As at March 31

2016

2015

Financial Assets

Cash	\$ 24,383	\$ 4,387
Term deposits (Note 4)	61,266	61,266
Accounts receivable (Note 5)	144,881	757,712
GST receivable	50,236	32,904
Due from related parties (Note 6)	331,889	326,919
Investments in government business enterprises (Note 7)	865,416	889,365
	1,478,071	2,072,553

Liabilities

Line of credit (Note 8)	65,969	38,794
Accounts payable and accrued liabilities (Note 9)	176,301	128,904
Contributions repayable (Note 10)	124,119	105,721
Deferred revenue (Note 11)	7,138	52,842
Loan payable (Note 12)	1,695	6,564
	375,222	332,825

Net financial assets

1,102,849 1,739,728

Non-financial Assets

Tangible capital assets (Note 13)	227,356	249,246
Prepaid expenses and deposits	12,418	9,994
	239,774	259,240

Accumulated Surplus

\$ 1,342,623 \$ 1,998,968

Represented by


Equity in Operating equity	\$ 1,998,968	\$ 1,436,689
Equity in Net income	(656,147)	562,548
Transfer to equity in TCA - amortization	(198)	(269)
	\$ 1,342,623	\$ 1,998,968

Commitments (Note 14)

Contingent liability (Note 15)

Approved on behalf of the Deh Gah Got'ie First Nation

 , Chief

 , Executive Director

The accompanying notes are an integral part of the financial statements

Deh Gah Got'ie First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2016 Actual	2015 Actual
Revenue		
Federal Government:		
Government of Canada	\$ 503,928	\$ 1,013,697
Health Canada	146,208	163,833
Government of the Northwest Territories (GNWT)	523,105	501,426
Dehcho First Nations	415,922	397,562
Administration fees	48,730	72,474
Fundraising and other revenue	277,837	117,737
Transfer to deferred revenue	(3,896)	-
Transfer from deferred revenue	4,300	15,000
Income (loss) from investments in GBE	(23,949)	115,728
Contributions repayable	(29,814)	(7,129)
	1,862,371	2,390,328
Expenses		
Band Government	596,450	639,387
Community Services	274,414	142,661
Education	1,305,484	634,358
Health	164,092	184,980
Economic Development	178,078	226,394
	2,518,518	1,827,780
Excess (deficiency) of revenue over expenses	(656,147)	562,548
Accumulated surplus, beginning of year	1,998,968	1,436,689
Transfer to investment in tangible capital assets - amortization	(198)	(269)
Accumulated surplus, end of year	\$ 1,342,623	\$ 1,998,968

The accompanying notes are an integral part of the financial statements

Deh Gah Got'ie First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31	2016	2015
Excess (deficiency) of revenue over expenses	\$ (656,147)	\$ 562,548
Acquisition of tangible capital assets	-	(21,446)
Amortization of tangible capital assets	21,890	23,219
	21,890	1,773
Acquisition of prepaid asset	(2,424)	(4,600)
Transfer to investment in tangible capital assets - amortization	(198)	(269)
(Decrease) increase in net financial assets	(636,879)	559,452
Net financial assets, beginning of year	1,739,728	1,180,276
Net financial assets, end of year	\$ 1,102,849	\$ 1,739,728

The accompanying notes are an integral part of the financial statements

Deh Gah Got'ie First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2016

2016

2015

Cash flows from

Operating activities

Excess (deficiency) of revenue over expenses	\$ (656,147)	\$ 562,548
Items not affecting cash		
Amortization	21,890	23,219
Loss (income) from investment in government business enterprises	23,949	(115,728)
Transfer to equity in tangible capital assets - amortization	(198)	(269)

(610,506) 469,770

Change in non-cash operating working capital

Accounts receivable	612,831	(518,524)
Prepaid expenses and deposits	(2,424)	(4,600)
Accounts payable and accrued liabilities	47,395	3,770
Contributions repayable	18,398	(6,753)
Deferred revenue	(45,704)	(15,063)
GST receivable	(17,332)	(7,896)

2,658 (79,296)

Capital activity

Purchase of tangible capital assets	-	(21,446)
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Financing activity

Loan payable	(4,869)	(4,563)
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Investing activity

Advances (to) from related party	(4,968)	60,076
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Decrease in cash and cash equivalents

(7,179) (45,229)

Cash and cash equivalents, beginning of year

26,859 72,088

Cash and cash equivalents, end of year

\$ 19,680 \$ 26,859

Represented by

Cash	\$ 24,383	\$ 4,387
Term deposits	61,266	61,266
Line of credit	(65,969)	(38,794)

\$ 19,680 \$ 26,859

The accompanying notes are an integral part of the financial statements

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

1. Nature of operations

Deh Gah Got'ie First Nation (the "First Nation") is established pursuant to the *Indian Act*. Operating activities of the First Nation include the administration and delivery of services to its members in the Hamlet of Fort Providence, Northwest Territories. The First Nation is classified as an Indian Band and as such is a non-taxable entity under Section 149 of the *Income Tax Act*.

2. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Basis of accounting

The consolidated 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) 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 a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

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

Organizations consolidated in Deh Gah Got'ie First Nation financial statements include:

1. Undah Gogha Corporation
2. Fort Providence Resource Management Board

Organizations accounted for on a modified equity basis include:

3. 5343 NWT Ltd. (100% control)
4. Digaa Enterprises Ltd. (70% subsidiary)
5. Evergreen Forestry Limited Partnership (50% Partner)

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

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

(c) Revenue recognition

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, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets.

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.

Revenues, and interest income are recognized in the period when the related expenses are incurred, services performed or the related tangible capital assets built, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. Amounts received in advance of the service being provided are deferred to the period the service is provided.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified

Fundraising revenues are recognized when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Administration fees are recognized when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, line of credit, and term deposits 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.

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

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

(e) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the 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:

Land	0% Declining balance
Buildings	4% Declining balance
Boat	15% Declining balance
Furniture and equipment	20% Declining balance
Other equipments	20% Declining balance
Vehicles	30% Declining balance
Computer equipment	30-55% Declining balance

One half the regular amortization is recorded in the year of acquisition of assets. No amortization is recorded in the year of disposal.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Deh Gah Got'ie First Nation ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

(f) Asset classification

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

(g) Related party transactions

Related party transactions are in the normal course of operations and have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

(h) Net debt or net financial assets

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

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

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

(i) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when: contamination exceeding an environmental standard exists; the First Nation is either directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amounts of the liability, if any. Any revisions required to the amount previously recognized are accounted for in the period revisions are made.

The First Nation has concluded that there is no contamination that exceeds environmental standards and as a result there are no liabilities for contaminated sites.

(j) Use of estimates

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.

(k) Segment disclosures

Segment financial information for certain departments is provided in Note 21. The accounting policies used in these segments is consistent with those followed in preparation of the consolidated financial statements. The segments include:

Band Government which provides internal support to the Council and other departments that provide direct services to band members;

Community Services which provides basic municipal services to the community and provides additional services that are a benefit to the entire community;

Economic Development which provides support and programs to the community to foster job creation and economic growth;

Education which provides educational services and programs to the community; and

Health which provides health services and related programs to the community.

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

3. 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.

Assets, Section PS 3210

PSAB approved Section PS 3210, Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section provides guidance on how to apply the definition of assets as set out in Section PS 1000, and establishes standards for disclosure of assets except certain specific types of assets, which are dealt with in other Sections.

The impact of the transition to this accounting standard has not yet been determined.

Contingent Assets, Section PS 3320

PSAB approved Section PS 3320, Contingent Assets. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of contingent assets except certain specific types of contingent assets.

The impact of the transition to this accounting standard has not yet been determined.

Contractual Rights, Section PS 3380

PSAB approved Section PS 3380, Contractual Rights. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This Section defines and establishes standards for disclosure of rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future except certain specific types of contractual rights.

The impact of the transition to this accounting standard has not yet been determined.

Related party disclosures, Section PS 2200

PSAB approved Section PS 2200, Related Party Disclosures. This Section is effective for fiscal periods beginning on or after April 1, 2017. Earlier adoption is permitted. This 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 impact of the transition to this accounting standard has not yet been determined.

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

3. Future accounting changes (continued)

Inter-entity transactions, Section PS 3420

PSAB approved Section PS 3420, Inter-entity Transactions. This Section is effective for fiscal periods beginning on or after 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 this accounting standard has not yet been determined.

Restructuring Transactions, Section PS 3430

PSAB approved Section PS 3430, Restructuring Transactions. This Section is effective for fiscal periods beginning on or after April 1, 2018. Earlier adoption is permitted. This Section establishes standards on how to account for and report restructuring transactions such as but not limited to amalgamations of entities or operations within the government entity, amalgamation of local governments, and shared service arrangements entered into by local governments in a region, by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

The impact of the transition to this accounting standard has not yet been determined.

4. Term deposits

	2016	2015
CIBC 1 Year GIC earning interest at 0.9% , matures May 2016	\$ 61,266	\$ 61,266

In May 2016, the GIC was reinvested and matures May 2017.

5. Accounts receivable

	2016	2015
Due from the Government of Canada	\$ 53,520	\$ 671,843
Due from the Government of the Northwest Territories	60,674	35,811
Due from Dehcho First Nations	13,000	27,111
Goods and services tax recoverable	-	5,400
Other accounts receivable	44,083	54,062
	171,277	794,227
Less: Allowance for doubtful accounts	(26,396)	(36,515)
	\$ 144,881	\$ 757,712

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

6. Due from related parties

(a) As at March 31, 2016 the First Nation has amounts due from the following related parties:

5343 NWT Ltd., 100% control
Digaa Enterprises Ltd. 70% owned subsidiary
Yamoria Grocery Ltd., significant influence
Deh Gah Betterment Corporation, significant influence

	2016	2015
Yamoria Grocery Ltd.	\$ 116,678	\$ 116,678
Deh Gah Betterment Corporation	88,208	88,208
5343 NWT Ltd.	213,696	188,729
Digaa Enterprises Ltd.	118,193	138,190
Less: Allowance for doubtful accounts	(204,886)	(204,886)
	<u>\$ 331,889</u>	<u>\$ 326,919</u>

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

7. Investments in government business enterprises

The First Nation owns 70% of Digaa Enterprises Ltd. and 50% of Evergreen Forestry Limited Partnership.

The First Nation's investments in government business enterprises consist of the following:

	2016	2015
Investment in Digaa Enterprises Ltd.		
7 Class A common shares	\$ 7	\$ 7
Share of equity in retained earnings since date of acquisition	763,875	872,906
Investment in Evergreen Forestry Ltd. Partnership		
Partner's capital	101,534	16,452
	\$ 865,416	\$ 889,365

	5343 NWT Ltd.	Digaa Enterprises Ltd.	Evergreen Forestry Limited Partnership	2016 Total	2015 Total
Cash	\$ 1,166	\$ 71,296	\$ -	\$ 72,462	\$ 253,445
Accounts receivable	10,105	281,765	-	291,870	289,441
Tangible capital assets	165,424	1,325,036	-	1,490,460	1,506,299
Other assets	10,236	33,118	-	43,354	54,598
Total assets	\$ 186,931	\$ 1,711,215	\$ -	\$ 1,898,146	\$ 2,103,783
Accounts payable	\$ 6,044	\$ 237,375	\$ -	\$ 243,419	\$ 245,461
Long-term debt	160,335	114,235	-	274,570	263,818
Other liabilities	213,665	268,335	-	482,000	548,408
Total liabilities	380,044	619,945	-	999,989	1,057,687
Equity	(193,113)	1,091,270	-	898,157	1,046,096
Total equity	(193,113)	1,091,270	-	898,157	1,046,096
Total liabilities and equity	\$ 186,931	\$ 1,711,215	\$ -	\$ 1,898,146	\$ 2,103,783

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

7. Investments in government business enterprises , continued

	5343 NWT Ltd.	Digaa Enterprises Ltd.	Evergreen Forestry Limited Partnership	2016 Total	2015 Total
Revenue	\$ 35,200	\$ 1,548,461	\$ -	\$ 1,583,661	\$ 2,511,297
Expenses	56,867	1,674,733	-	1,731,600	2,391,644
Other expenses	-	-	-	-	2,529
Total expenses	56,867	1,674,733	-	1,731,600	2,394,173
Net income (loss)	\$ (21,667)	\$ (126,272)	\$ -	\$ (147,939)	\$ 117,124

The financial information for Evergreen Forestry Limited Partnership was not available for the year ended March 31, 2016 as of the audit date and accordingly the value of the investment is reported as the 50% equity as at March 31, 2015.

8. Line of credit

The First Nation has an operating line of credit facility to a maximum of \$75,000 bearing interest at the bank's prime lending rate plus 5% per annum. As at March 31, 2016 the amount used was \$55,969.

The Fort Providence Resource Management Board has a Royal Bank revolving line of credit that accrues interest at the Royal Bank prime rate plus 7.50% per annum and the credit limit is \$20,000. The amount owing at March 31, 2016 consists of \$10,000 (2015 - \$20,000) of principal. The facility states that the line of credit revolves in \$5,000 increments and the client decides when to repay amounts owing, unless the Royal Bank recalls the line of credit at its discretion.

9. Accounts payable and accrued liabilities

	2016	2015
Trade payables	\$ 116,070	\$ 41,802
Credit card payable	8,579	3,336
Other accrued payable	33,121	32,827
Government remittances payable	18,531	50,939
	\$ 176,301	\$ 128,904

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

10. Contributions repayable

	2016	2015
Federal government - Indigenous and Northern Affairs Canada	\$ -	\$ 41,472
Federal government - Health Canada	-	7,129
Government of the Northwest Territories	57,739	40,347
DehCho First Nation	62,071	16,773
The Canadian Northern Economic Development Agency (CanNor)	4,309	-
	\$ 124,119	\$ 105,721

11. Deferred revenue

	March 31, 2015	Funding received, 2016	Revenue recognized or transferred to funding repayable, 2016	March 31, 2016
Government of the Northwest Territories				
EDU - Small community funds	\$ 4,300	\$ -	\$ (4,300)	\$ -
COM - Community wellness plan	-	167,988	(164,092)	3,896
	4,300	167,988	(168,392)	3,896
Dehcho First Nations				
Aboriginal aquatic resource and ocean management	3,242	-	-	3,242
Interim resource development agreement	45,300	-	(45,300)	-
	48,542	-	(45,300)	3,242
	\$ 52,842	\$ 167,988	\$ (213,692)	\$ 7,138

Deferred revenue consists of amounts received for which project completion dates extending beyond the fiscal year end, or conditions attached to the use of the funds have not yet been met, or an operating advance received from a funding agency for the upcoming fiscal year. These amounts will be recognized in revenue as expenditures are incurred or conditions of funding are satisfied.

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

12. Loan payable

	2016	2015
Ford Credit vehicle loan due March 2017 repayable in blended monthly payments of \$429 including interest at 6.49%. Secured by 2011 Ford Escape with a net book value of \$4,819 (2015 - \$6,885).	\$ 1,695	\$ 6,564

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

2017	\$ 1,695
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Notes to Consolidated Financial Statements

13. Tangible Capital Assets

\$	606,126	\$	-	\$	606,126	\$	356,880	\$	21,890	\$	378,770	\$	227,356
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\$	584,679	\$	21,447	\$	606,126	\$	333,661	\$	23,219	\$	356,880	\$	249,246
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Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

14. Commitments

The nature of the First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

	2017	2018	2019	2020	2021 and thereafter
Hamlet of Fort Providence - Office Rent	\$ 3,780	\$ 3,780	\$ 3,780	\$ 3,780	\$ 3,780
Digaa Enterprises Ltd. - Office Rent	3,696	-	-	-	-
	\$ 7,476	\$ 3,780	\$ 3,780	\$ 3,780	\$ 3,780

15. Contingent liability

The First Nation has entered into contribution agreements with Government of Canada and the Government of the Northwest Territories. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

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

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

16. Government Transfers

2016			
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada	\$ 368,928	\$ -	\$ 368,928
Health Canada	146,208	-	146,208
Personal Credits Administrator	135,000	-	135,000
Total	650,136	-	650,136
Government of the Northwest Territories	523,105	-	523,105
Dehcho First Nations	415,922	-	415,922
	\$ 1,589,163	\$ -	\$ 1,589,163
2015			
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada	\$ 319,197	\$ -	\$ 319,197
Health Canada	163,833	-	163,833
Personal Credits Administrator	694,500	-	694,500
Total	1,177,530	-	1,177,530
Government of the Northwest Territories	501,426	-	501,426
Deh Cho First Nations	397,562	-	397,562
	\$ 2,076,518	\$ -	\$ 2,076,518

17. Budget Information

Canadian public sector accounting standards ("PSAS") require the 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 financial statements as this information is not available for the entire reporting entity. While having no effect on reported revenues, expenses, and surplus (deficit), omission of this information is considered a departure from PSAS.

18. Comparative figures

Certain of the comparative figures have been reclassified to conform with the presentation adopted in the current year.

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

19. Economic Dependence

The First Nation receives a significant amount of funding from the Government of Canada and the Government of the Northwest Territories in the form of operating and capital grants. Management is of the opinion that discontinuance of funding would significantly affect operations.

20. Expenses by Object

The following is a summary of expenses by object.

For the year ended March 31

	2016 Actual	2015 Actual
Administration	\$ 59,461	\$ 73,837
Amortization	21,890	23,219
Bad debts	(1,582)	22,280
Childcare	703	140
Community Harvestors Assistance	3,703	300
Cultural events	242,399	165,225
Debt Servicing	283	588
Donations	4,615	-
Equipment rental	22,943	11,168
Gas and oil	20,599	25,618
Honoraria	39,550	34,250
Insurance	8,301	7,748
Interest and bank charges	9,756	12,357
Licenses	29,226	6,696
Materials and supplies	327,567	52,222
Meeting expenses	19,265	10,491
Office Supplies	36,201	55,965
Professional fees	90,181	84,231
Program expenditures	190,579	188,989
Property and land taxes	163	1,016
Recovery of bad debts	14,254	-
Rent and utilities	70,560	64,628
Repairs and maintenance	107,817	4,688
Salaries and benefits	810,137	839,264
Telephone & communication	42,723	44,379
Transfer to tangible capital assets	(198)	(269)
Travel	346,401	97,042
Vehicles	1,021	1,708
	\$ 2,518,518	\$ 1,827,780

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

21. Segmented information

	Band Government			Community Services			Education			Cc
	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual	2016 Budget	2016 Actual	2015 Actual	2016 Budget
Revenues										
Indigenous and Northern Affairs Canada	-	\$ 305,342	\$ 236,731	-	\$ 29,300	\$ 27,900	-	\$ 135,000	\$ 694,500	-
Deh Cho First Nations	-	-	-	-	-	-	-	377,987	342,114	-
Health Canada	-	-	-	-	-	-	-	146,208	163,833	-
Government of the Northwest Territories (GNWT)	-	43,150	23,650	-	154,627	115,719	-	47,143	76,132	-
Contributions repayable	-	-	-	-	(9,844)	-	-	(5,689)	(7,129)	-
Fundraising and other revenues	-	186,938	105,447	-	89,583	500	-	-	-	-
Administration fees	-	41,717	68,590	-	-	-	-	-	-	-
Other revenue	-	(19,649)	130,728	-	(1)	-	-	(1)	-	-
Total revenue	-	557,498	565,146	-	263,665	144,119	-	700,648	1,269,450	-
Expenses										
Salaries and benefits	-	263,260	304,825	-	113,137	97,684	-	310,786	287,255	-
Debt Servicing	-	283	588	-	-	-	-	-	-	-
Amortization	-	21,692	22,950	-	-	-	-	-	-	-
Other expenses	-	311,215	311,024	-	161,277	44,977	-	994,698	347,103	-
Total expenses	-	596,450	639,387	-	274,414	142,661	-	1,305,484	634,358	-
Annual surplus (deficit)	\$ -	\$ (38,952)	\$ (74,241)	-	\$ (10,749)	\$ 1,458	-	\$ (604,836)	\$ 635,092	-

Deh Gah Got'ie First Nation

Notes to Consolidated Financial Statements

March 31, 2016

21. Segmented information, continued

	2016 Budget	Health 2016 Actual	2015 Actual	2016 Budget	Economic Development 2016 Actual	2015 Actual	2016 Budget	Consolidated totals 2016 Actual	2015 Actual
Revenues									
Indigenous and Northern Affairs Canada	\$ -	\$ -	\$ -	\$ -	\$ 34,286	\$ 54,566	\$ -	\$ 503,928	\$ 1,013,697
Deh Cho First Nations	-	-	-	-	37,935	55,449	-	415,922	397,563
Health Canada	-	-	-	-	-	-	-	146,208	163,833
Government of the Northwest Territories (GNWT)	-	167,988	189,033	-	110,197	96,892	-	523,105	501,426
Contributions repayable	-	-	-	-	(14,281)	-	-	(29,814)	(7,129)
Fundraising and other revenues	-	-	-	-	-	-	-	276,521	105,947
Administration fees	-	-	-	-	7,013	3,884	-	48,730	72,474
Other revenue	-	(3,896)	-	-	1,318	11,789	-	(22,229)	142,517
Total revenue	-	164,092	189,033	-	176,468	222,580	-	1,862,371	2,390,328
Expenses									
Salaries and benefits	-	51,196	43,401	-	71,758	106,099	-	810,137	839,264
Debt Servicing	-	-	-	-	-	-	-	283	588
Amortization	-	-	-	-	198	269	-	21,890	23,219
Other expenses	-	112,896	141,579	-	106,122	120,026	-	1,686,208	964,709
Total expenses	-	164,092	184,980	-	178,078	226,394	-	2,518,518	1,827,780
Annual surplus (deficit)	\$ -	\$ -	\$ 4,053	\$ -	\$ (1,610)	\$ (3,814)	\$ -	\$ (656,147)	\$ 562,548