



## **INDEPENDENT AUDITORS' REPORT**

To the members of Sambaa K'e First Nation

### **Qualified Opinion**

We have audited the accompanying consolidated financial statements of Sambaa K'e First Nation, which comprise of the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the consolidated financial position of Sambaa K'e First Nation (the "Council") as at March 31, 2021, and the consolidated results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Qualified Opinion**

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

Sambaa K'e First Nation owns a 100% interest in Samba K'e Development Corporation. We were unable to obtain sufficient appropriate audit evidence about equity adjustments recorded in the current year because the financial statements of this company are not available as they are not yet completed. As such, we were unable to determine if further adjustments were necessary to the investments in government business enterprises, earnings from government business enterprises, deficiency of revenues over expenditures and changes in net debt.

### **Other Information**

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed on this other information, we concluded that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the Council's financial reporting process.

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

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Council to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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



Paul Teoh Professional Corporation  
Chartered Professional Accountants



Calgary, Alberta  
June 30, 2022

# SAMBAA K'E FIRST NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2021	2020
<b>Financial Assets</b>		
Cash and cash equivalents (note 2)	\$ 1,255,217	\$ 568,367
Restricted deposits (note 3)	4,824,678	4,691,692
Accounts receivable (note 4)	741,423	460,547
Contributions receivable (note 5)	3,269,892	2,465,502
<b>Total Financial Assets</b>	<b>10,091,210</b>	<b>8,186,108</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 6)	720,562	513,282
Contributions repayable (note 7)	39,688	6,268
Deferred contributions (note 8)	7,949,867	6,891,066
<b>Total Liabilities</b>	<b>8,710,117</b>	<b>7,410,616</b>
<b>Net Financial Assets</b>	<b>1,381,093</b>	<b>775,492</b>
<b>Non-Financial Assets</b>		
Long term investments (note 9)	421,999	456,608
Tangible capital assets (note 10)	2,460,031	2,553,279
Prepaid expenses and deposits	65,932	64,345
<b>Total Non-Financial Assets</b>	<b>2,947,962</b>	<b>3,074,232</b>
<b>Accumulated Surplus (note 11)</b>	<b>\$ 4,329,055</b>	<b>\$ 3,849,724</b>

Approved on behalf of the Council:

 Councillor  
 Councillor

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

# SAMBAA K'E FIRST NATION

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31,	2021	2021	2020
	Budget (Unaudited) (note 15)	Actual	Actual
<b>Revenue</b>			
Contributions - MACA	\$ -	\$ 2,003,911	\$ 1,942,844
Contributions - Indigenous Services Canada	-	576,997	388,544
Contributions - Dehcho First Nations	-	168,399	136,230
Contributions - GNWT	-	682,033	544,709
Contributions - others	-	418,360	220,696
Other revenue and recoveries	-	262,651	18,490
Add opening deferred revenue	-	6,891,066	6,343,730
Less closing deferred revenue	-	( 7,949,868)	( 6,891,066)
	-	3,053,549	2,704,177
<b>Expenditures</b>			
<b>Federal Government:</b>			
Band government services	-	202,620	212,888
Governance	-	26,333	94,579
Youth employment programs	-	44,951	46,286
Emergency Support	-	65,918	-
<b>Government of NWT:</b>			
Economic development	-	27,841	24,650
Education programs	-	170,607	71,484
Environmental programs	-	98,902	69,873
Health and social services	-	175,243	148,788
Justice programs	-	41,500	41,500
Municipal services	-	231,445	312,231
Protective services	-	13,217	18,430
Recreation services	-	110,794	192,426
Transportation and public services	-	406,764	381,690
Water and sewage	-	337,157	477,449
Youth programs	-	13,915	13,867
<b>Dehcho First Nations:</b>			
Community wellness	-	-	30,000
Health and social services	-	30,001	-
Language programs	-	18,752	18,521
Literacy programs	-	13,761	14,289
Resource management	-	55,444	36,936
Emergency Support	-	26,300	-
<b>Others:</b>			
Administration	-	109,999	239,052
Environmental programs	-	90,319	29,964
Community programs	-	104,666	67,163
Emergency Support	-	73,000	-
Other programs	-	11,460	8,412
<b>Loss (Gains) on Disposal of Capital Assets</b>	-	89,573	-
	-	2,590,482	2,550,478
<b>Operating Surplus (Deficit)</b>	-	463,067	153,699
<b>Earnings (loss) from subsidiaries</b>	-	16,264	16,300
<b>Annual Surplus (Deficit)</b>	-	479,331	169,999
<b>Accumulated Surplus, beginning of year</b>	3,849,724	3,849,724	3,679,725
<b>Accumulated Surplus, end of year</b>	\$ 3,849,724	\$ 4,329,055	\$ 3,849,724

The accompanying notes and schedules are an integral part of these consolidated financial statements. 7

# SAMBAA K'E FIRST NATION

## CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended March 31,	2021	2021	2020
	Budget (Unaudited) (note 15)	Actual	Actual
<b>Annual Surplus (Deficit)</b>	\$ -	\$ 479,331	\$ 169,999
Acquisition of tangible capital assets	-	( 220,840)	( 340,156)
Amortization of tangible capital assets	-	224,515	279,271
Loss (gains) on sale of tangible capital assets	-	89,573	-
Decrease (increase) in long term investments	-	34,609	( 183,378)
	-	607,188	( 74,264)
Decrease (increase) in prepaid expenses and deposits	-	( 1,587)	( 14,866)
Decrease (increase) in inventory	-	-	12,891
<b>Increase (Decrease) in Net Financial Assets</b>	-	605,601	( 76,239)
<b>Net Financial Assets, beginning of year</b>	775,492	775,492	851,731
<b>Net Financial Assets, end of year</b>	\$ 775,492	\$ 1,381,093	\$ 775,492

The accompanying notes and schedules are an integral part of these consolidated financial statements. 8

# **SAMBAA K'E FIRST NATION**

## **CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended March 31,	2021	2020
<b>Cash Flows from Operating Activities</b>		
Cash receipts from government transfers	\$ 2,545,310	\$ 2,362,483
Cash receipts from contributions and recoveries	515,194	287,689
Cash paid to suppliers and employees	( 2,070,701)	( 2,079,270)
	989,803	570,902
<b>Cash Flows from Investing Activities</b>		
Decrease (increase) in restricted cash	( 132,986)	165,351
Decrease (increase) in long term investments	50,873	( 167,078)
	( 82,113)	( 1,727)
<b>Capital Transactions</b>		
Purchase of tangible capital assets	( 220,840)	( 340,156)
	( 220,840)	( 340,156)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	686,850	229,019
<b>Cash and Cash Equivalents, beginning of year</b>	568,367	339,348
<b>Cash and Cash Equivalents, end of year</b>	\$ 1,255,217	\$ 568,367

# **SAMBA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2021

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The Sambaa K'e First Nation ("Council") is an Indian Band registered under the *Indian Act*. It provides services to the band members of Sambaa K'e First Nation. It is also recognized by Department of Municipal and Community Affairs, the Government of NWT, as the designated authority responsible for the provision of municipal services to the Community of Sambaa K'e.

The Council recognized as a municipality and is exempt for income tax purposes under Section 149 of the *Income Tax Act*.

### **1. Significant Accounting Policies**

#### **(a) Basis of Preparation**

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

#### **(b) Reporting Entity**

The consolidated financial statements includes the accounts of Sambaa K'e First Nation along with its following subsidiary and associated companies using the modified equity method.

	Percentage Owned	Year End
Sambaa K'e Development Corporation	100%	March 31, 2021
Deh Cho Helicopters Regional Limited Partnership	14.27%	May 31, 2020

#### **(c) Fund Accounting**

The Sambaa K'e First Nation follows the deferral method of accounting for capital contributions. Externally restricted contributions are recognized as revenue when the related capital expenditures are incurred. Contributions received in advance of making the related expenditures is recorded as deferred revenue.

The general operating fund reports the core operating accounts of the Council and other programs in accordance with contribution agreements with funding agencies.

The Enterprise fund reports the assets, liabilities, revenue and expenditure relating to investments held by the Council.

#### **(d) Cash and Cash Equivalents**

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



# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2021

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

#### **(e) Revenue Recognition**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenues as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipts of goods or services and /or legal obligations to pay.

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. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

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

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

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

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

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Buildings:		
- Office and community	40 years	Declining Balance
- Maintenance building	20 - 40 years	Declining Balance
- Parking garages	15 - 40 years	Declining Balance
- Community hall and school	20 - 40 years	Declining Balance
Land improvements	20 - 40 years	Declining Balance
Landfills	20 years	Declining Balance
Lagoon	25 years	Declining Balance
Vehicles	30%	Declining Balance
Office furniture and equipment	20% - 45%	Declining Balance
Water reservoir and fill station	25 years	Declining Balance

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#### **(g) Allocation of Expenditure**

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

# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2021

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

#### **(h) Long Term Investments**

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

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

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

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

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

#### **(j) Government Transfers**

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

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

# SAMBAA K'E FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 1. Significant Accounting Policies (Continued)

#### (k) 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 year. Actual results could differ from those estimates.

### 2. Cash and Cash Equivalents

	2021	2020
Bank current account	\$ 1,069,194	\$ 384,486
Cash on hand	542	542
Term deposits	185,481	183,339
	<b>\$ 1,255,217</b>	<b>\$ 568,367</b>

### 3. Restricted Deposits

	2021	2020
CIBC - Community Public Infrastructure (CPI)	\$ 3,440,980	\$ 3,313,840
CIBC - Gas Tax	1,383,698	1,377,852
	<b>\$ 4,824,678</b>	<b>\$ 4,691,692</b>

Interests on CIBC Business Interest Account are paid monthly at rates ranging from 0.10% to 0.65% per annum depending on monthly average account balance.

	Community Public Infrastructure	Federal Gas Tax Funding	Total
Deferred contributions	\$ 5,768,265	\$ 1,622,809	\$ 7,391,074
Less contributions receivable	( 2,584,000)	( 240,000)	( 2,824,000)
Required balance	3,184,265	1,382,809	4,567,074
Restricted cash deposits	3,440,980	1,383,698	4,824,678
Deposit surplus (deficiency)	<b>\$ 256,715</b>	<b>\$ 889</b>	<b>\$ 257,604</b>

Sufficient funds must be deposited to separate restricted bank accounts to correspond with the respective balances required. Interest earned on these accounts is credited to the appropriate restricted bank accounts. As at March 31, 2021, total net deposit surplus amounts to \$257,604.

# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2021

### **4. Accounts Receivable**

	2021	2020
Trade and others	\$ 1,100,931	\$ 658,525
GST refundable	55,097	216,627
	1,156,028	875,152
Less allowances for doubtful accounts	( 414,605)	( 414,605)
	\$ 741,423	\$ 460,547

### **5. Contributions Receivable**

	2021	2020
Dehcho First Nations	\$ 48,913	\$ 15,511
Indigenous Services Canada	116,321	116,321
Government of NWT	3,158,507	2,333,670
	\$ 3,269,892	\$ 2,465,502

### **6. Accounts Payable and Accrued Liabilities**

	2021	2020
Trade and others	\$ 686,298	\$ 449,480
Accrued wages and benefits	36,345	31,444
Remittances payable (refundable)	( 2,081)	32,360
	\$ 720,562	\$ 513,284

### **7. Contributions Repayable**

	2021	2020
Government of Canada	\$ 29	\$ 29
Government of NWT	32,742	1,084
Dehcho First Nation	5,155	5,155
Other funding agencies	1,762	-
	\$ 39,688	\$ 6,268

# SAMBAA K'E FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 8. Deferred Contributions

	2020	Additions	Utilized	2021
<b>Indigenous Services Canada:</b>				
ISC- Building Strong Governance Amd#5	\$ 27,487	\$ -	\$ 26,333	\$ 1,154
ISC- P&ID Amd#6	19,435	-	-	19,435
ISC- Harvesters Support	38,079	32,900	35,761	35,218
ISC Amd#3 - 20/21 - Emergency Assist.	-	188,942	65,917	123,025
ISC Amd#6 - 20/21 - Basic Admin Gov Cap	-	45,000	-	45,000
ISC Amd#7 - 20/21 - Basic Admin Gov Cap	-	100,001	-	100,001
<b>Government of NWT Funded:</b>				
MACA- Community Public Infrastructure	5,185,555	649,333	66,623	5,768,265
MACA- Gas Tax Fund (GTF)	1,536,964	85,844	(1)	1,622,809
GNWT- CHAP	11,438	46,310	46,310	11,438
H&SS- Anti-Poverty Action Plan	10,000	-	8,908	1,092
SEED- Spring Carnival	5,080	-	-	5,080
ITI- Promote Arts and Crafts	-	6,956	-	6,956
MACA- Covid Safe Restart Funding	-	27,150	-	27,150
MACA- Covid Funding Allocation	-	54,307	29,790	24,517
MACA- Recreation & Sports Covid-19 Support	-	32,438	23,870	8,568
<b>Others:</b>				
KTFN - SKFN Northern Agriculture Futures	-	30,000	14,284	15,716
Indigenous People Resilient Funds	-	24,000	15,249	8,751
Tides	-	25,000	3,526	21,474
Canadian Feed The Children	-	30,000	4,565	25,435
Lawson Foundation Support Donation	-	65,000	63,000	2,000
Dehcho Regional Helicopters - Youth Infrastructure	-	16,000	-	16,000
<b>Dehcho First Nations Funded:</b>				
DFN- IRDA Resource Royalties	19,357	-	-	19,357
DFN- EMA	37,671	10,000	31,769	15,902
DFN- Community Mental Health	-	25,524	-	25,524
	\$ 6,891,066	\$ 1,494,705	\$ 435,904	\$ 7,949,867

# SAMBAA K'E FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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March 31, 2021

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### 9. Long Term Investments

#### Sambaa K'e Development Corporation

The Council owns 100% of Sambaa K'e Development Corporation (the "Corporation"), a private company incorporated under the *Business Corporation Act* of Northwest Territories. The Corporation's principal activities are property rental and construction.

The financial statements of Sambaa K'e Development Corporation are not available.

	2021	2020
Investments:		
Investment at cost	\$ 100	\$ 100
Payable to Corporation	( 80,382)	( 29,509)
Investment in Corporation	<u>\$ ( 80,282)</u>	<u>\$ ( 29,409)</u>

# SAMBAA K'E FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

### 9. Long Term Investments (Continued)

#### Deh Cho Helicopters Regional Limited Partnership

The Council owns 5,000 of 35,000 (14.27%) limited partnership units in Deh Cho Helicopters Regional Limited Partnership (DCHRLP). DCHRLP was formed on June 1, 2004 under the Partnership Act of the Northwest Territories.

The Partnership's principal activities are to own and lease a Eurocopter AS350 B2 Helicopter and other helicopter charters through Great Slave Helicopters Ltd. in the Deh Cho areas in Northwest Territories.

The following summarizes the financial position and results of operations of the Corporation as at and for the year ended May 31, 2020

	2020	2019
<b>Financial Position</b>		
Current assets	\$ 2,690,186	\$ 2,549,910
Non-current assets	553,470	595,458
<b>Total assets</b>	<b>3,243,656</b>	<b>3,145,368</b>
Current liabilities	15,913	29,322
Non-current liabilities	2,857	5,006
<b>Total partners' equity</b>	<b>\$ 3,224,886</b>	<b>\$ 3,111,040</b>
<b>Financial Performance</b>		
Revenues	\$ 444,206	\$ 445,609
Expenses	330,351	331,511
<b>Net earnings (loss)</b>	<b>113,855</b>	<b>114,098</b>
<b>Net earnings attributable to the Council</b>	<b>\$ 16,264</b>	<b>\$ 16,299</b>
<b>Investments:</b>		
Investment at cost	\$ 5,000	\$ 5,000
Accumulated equity earnings	497,281	481,017
<b>Investment in Partnership</b>	<b>\$ 502,281</b>	<b>\$ 486,017</b>
<b>Total Investments</b>	<b>\$ 421,999</b>	<b>\$ 456,608</b>

# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2021

### **10. Tangible Capital Assets**

			2021	2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 3,009,810	\$ 1,737,691	\$ 1,272,119	\$ 1,294,094
Land improvements	155,243	30,285	124,958	128,719
Landfills	206,455	206,455	-	-
Lagoon	368,670	368,670	-	-
Vehicle	1,908,438	1,692,363	216,075	232,061
Office furniture and equipment	227,122	200,243	26,879	38,405
Water reservoir and fill station	2,360,000	1,540,000	820,000	860,000
	<b>\$ 8,235,738</b>	<b>\$ 5,775,707</b>	<b>\$ 2,460,031</b>	<b>\$ 2,553,279</b>

### **11. Accumulated Surplus**

	2021	2020
Unrestricted		
General Operating Fund	\$ 1,447,025	\$ 839,837
Enterprise Fund	421,999	456,608
Equity in Tangible Capital Assets	2,460,031	2,553,279
	<b>\$ 4,329,055</b>	<b>\$ 3,849,724</b>

### **12. Government Transfers**

	2021	2020
Government of NWT - MACA	\$ 2,003,911	\$ 1,942,844
Government of NWT	682,033	544,709
Indigenous Services Canada	576,997	388,544
Dehcho First Nations	168,399	136,230
Government of NWT - Others	418,360	220,696
	<b>\$ 3,849,700</b>	<b>\$ 3,233,023</b>



# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2021

### **13. Expenditure by Object**

	2021	2020
Advertising and promotion	\$ 11,059	\$ 9,849
Administration	45,618	26,251
Amortization	224,515	279,271
Bad debts (recovered)	-	( 86,050)
Bank charges and interest	11,782	9,359
Community events	300	725
Contracted services	159,616	184,814
Contributions repaid (net)	33,420	1,919
Freight and postage	43,181	19,966
Insurance	72,365	57,395
Loss (gain) on disposal of assets	89,573	-
Licenses and Fees	82,836	17,857
Materials and supplies	332,751	249,783
Office	10,590	33,710
Professional fees	15,999	70,542
Rent and utilities	17,499	36,791
Repairs and maintenance	84,588	89,789
Telephone and Internet	38,242	33,704
Travel and accommodation	115,612	269,310
Utilities	219,638	189,517
Wages and benefits	981,298	1,055,976
<b>Total Expenditure</b>	<b>\$ 2,590,482</b>	<b>\$ 2,550,478</b>

### **14. Economic Dependence**

The Council receives a major portion of its revenue from the Indigenous Services Canada of the Government of Canada, the Department of Transportation of the Government of the Northwest Territories and the Department of Municipal and Community Affairs of the Government of the Northwest Territories. The nature and extent of this revenue is of such significance that the Council is economically dependent on this source of revenue.

# **SAMBAA K'E FIRST NATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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March 31, 2021

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### **15. Budget**

No budget was prepared by the Nation in the current year. As such, 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 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 there was no approved budget. While having no effect on reported revenues, expenses, and surplus (deficit), omission of this information is considered a departure from PSAB.

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

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

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

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

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