



INDEPENDENT AUDITORS' REPORT

To the members of Ka'a'gee Tu First Nation

Qualified Opinion

We have audited the accompanying consolidated financial statements of Ka'a'gee Tu First Nation, which comprise the consolidated statement of financial position as at March 31, 2021 and the consolidated statements of operations and accumulated surplus, changes in net financial 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 Ka'a'gee Tu First Nation (the "Council") as at March 31, 2021, and the consolidated results of its operations, changes net financial assets and cash flows of the Council 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.

Ka'a'gee Tu First Nation owns a 100% interest in Noda Enterprises Ltd. 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 either inactive or the financial statements 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 comprises of the Management's Discussion and Analysis, other than the financial statements and our auditors' 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 conclude 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

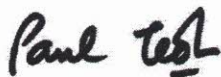
Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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
October 13, 2021

KA'A'GEE TU FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2021	2020
Financial Assets		
Cash and cash equivalents (note 2)	\$ 1,638,803	\$ 1,451,880
Restricted deposits (note 3)	6,528,837	6,025,318
Accounts receivable (note 4)	47,154	45,082
Contributions receivable (note 5)	230,003	144,784
Total Financial Assets	8,444,797	7,667,064
Liabilities		
Accounts payable and accrued liabilities (note 6)	211,871	74,573
Deferred contributions (note 7)	7,232,249	6,686,877
Total Liabilities	7,444,120	6,761,450
Net Financial Assets	1,000,677	905,614
Non-Financial Assets		
Long term investment (note 8)	336,801	336,801
Tangible capital assets (note 9)	3,338,885	3,396,424
Prepaid expenses and deposits	6,240	-
Total Non-Financial Assets	3,681,926	3,733,225
Accumulated Surplus (note 11)	\$ 4,682,603	\$ 4,638,839

Approved on behalf of the Council:

 Councillor

 Councillor

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

KA'A'GEE TU FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31,	2021	2021	2020
	Budget (Unaudited)	Actual	Actual
Revenue			
Contributions:			
- Municipal and Community Affairs NWT	\$ 827,000	\$ 1,689,288	\$ 1,586,000
- Indigenous Services Canada	49,950	427,771	538,124
- Government of Canada	-	76,872	-
- Dehcho First Nations	-	195,259	69,457
- Government of NWT	-	477,143	355,787
Interest revenue	-	18,607	54,986
Other revenue and recoveries	-	93,528	135,032
Add opening deferred revenue	-	6,686,878	5,923,539
Less closing deferred revenue	-	(7,232,249)	(6,686,878)
	876,950	2,433,097	1,976,047
Expenditure			
Municipal Services:			
Municipal administration	525,760	647,814	686,370
Recreation	-	45,857	19,000
Utilities and operating	53,000	96,157	54,742
Water and sewage	248,240	269,776	281,712
Other municipal programs	-	87,998	32,055
Indigenous Services Canada Band Member Services:			
Band support administration	49,950	104,239	49,668
Climate change adaptation	-	290,704	274,672
Covid response	-	170,160	-
Governance capacity development	-	39,551	33,917
Summer and youth programs	-	44,030	21,856
Dehcho First Nation Funded Programs:			
Community assembly	-	37,981	-
Educational programs	-	25,169	34,635
Language and culture	-	17,112	17,112
Resource management	-	63,412	48,175
Youth programs	-	9,679	-
GNWT Funded Programs:			
Community broadcasting	-	-	6,950
Community employment	-	93,351	40,000
Health and wellness	-	146,346	121,678
Housing initiatives	-	-	17,232
Hunters and trappers assistance	-	33,750	33,750
Community justice	-	41,500	41,500
Childhood and youth programs	-	10,858	11,919
Resource programs	-	32,809	35,963
Wildlife management	-	-	9,338
Other GNWT programs	-	5,541	1,000
Others:			
Administration	-	67,150	84,624
Community events	-	8,389	9,351
Community improvements	-	-	9,692
Field trips and land activities	-	-	20,000
Total Expenditure	876,950	2,389,333	1,996,911
Annual Surplus (Deficit)	-	43,764	(20,864)
Accumulated Surplus, beginning of year	4,638,839	4,638,839	4,659,703
Accumulated Surplus, end of year	\$ 4,638,839	\$ 4,682,603	\$ 4,638,839

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

KA'A'GEE TU FIRST NATION

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended March 31,	2021	2021	2020
	Budget (Unaudited)	Actual	Actual
Annual Surplus (Deficit)	\$ -	\$ 43,764	\$(20,864)
Acquisition of tangible capital assets	-	(208,148)	(113,928)
Proceeds on sale of tangible capital assets	-	19,000	-
Amortization of tangible capital assets	-	222,095	268,777
Loss (gains) on sale of tangible capital assets	-	24,592	-
	-	101,303	133,985
Decrease (increase) in prepaid expenses and deposits	-	(6,240)	-
Increase (Decrease) in Net Financial Assets	-	95,063	133,985
Net Financial Assets, beginning of year	905,614	905,614	771,629
Net Financial Assets, end of year	\$ 905,614	\$ 1,000,677	\$ 905,614

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

KA'A'GEE TU FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31,	2021	2020
Cash Flows from Operating Activities		
Cash receipts from government transfers	\$ 2,781,114	\$ 2,959,234
Cash receipts from contributions and recoveries	110,064	258,547
Cash paid to suppliers and employees	(2,011,588)	(1,746,191)
	879,590	1,471,590
Capital Transactions		
Purchase of tangible capital assets	(208,148)	(113,928)
Proceeds from disposal of tangible capital assets	19,000	-
	(189,148)	(113,928)
Net Increase (Decrease) in Cash and Cash Equivalents	690,442	1,357,662
Cash and Cash Equivalents, beginning of year	7,477,198	6,119,536
Cash and Cash Equivalents, end of year	\$ 8,167,640	\$ 7,477,198
Represented By:		
Cash and cash equivalents	\$ 1,638,803	\$ 1,451,880
Restricted cash	6,528,837	6,025,318
	\$ 8,167,640	\$ 7,477,198

The accompanying notes and schedules are an integral part of these consolidated financial statements. 9.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

The Ka'a'gee Tu First Nation ("Council") is an Indian Band registered under the *Indian Act*. It provides services to the band members of Ka'a'gee Tu 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 Kakisa, NT.

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 Entities

The consolidated financial statements includes the accounts of Ka'a'gee Tu First Nation and Ka'a'gee Tu Community Improvement Society along with its following subsidiary and associated company using the modified equity method.

	Percentage Owned	Year End
Noda Enterprises Ltd.	100%	March 31, 2021

Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the Council. 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.

(c) Fund Accounting

The Ka'a'gee Tu 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.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

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 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, with half the amortization for the year of acquisition, using the following method and annual rates:

Buildings	25-50 years	Straight-line
Land improvements	15-20 years	Straight-line
Mobile equipment	3-20 years	Straight-line
Heavy equipment	5-20 years	Straight-line
Infrastructure:		
- Water system	35-65 years	Straight-line
- Waste water system	35-65 years	Straight-line
- Other engineered structures	15-40 years	Straight-line
Office furniture and equipment	3-20 years	Straight-line

(g) Allocation of Expenditure

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

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

1. Significant Accounting Policies (Continued)

(h) 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.

(i) 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.

(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.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

2. Cash and Cash Equivalents

	2021	2020
Bank main operating	\$ 1,637,378	\$ 1,450,455
Joint venture funds	1,425	1,425
	<u>\$ 1,638,803</u>	<u>\$ 1,451,880</u>

3. Restricted Deposits

	2021	2020
RBC Business Savings Account - Community Public Infrastructure	\$ 4,890,265	\$ 4,511,226
RBC Business Savings Account - Federal Gas Tax	1,638,572	1,514,092
	<u>\$ 6,528,837</u>	<u>\$ 6,025,318</u>

Interests on RBC Business Savings Account are paid monthly at rates ranging from 0.44% to 0.45% per annum depending on monthly average account balance.

	Community Public Infrastructure	Federal Gas Tax Funding	Total
Deferred contributions	\$ 4,910,040	\$ 1,620,998	\$ 6,531,038
Required balance	4,910,040	1,620,998	6,531,038
Restricted cash deposits	4,890,265	1,638,572	6,528,837
Deposit (deficiency)	<u>\$(19,775)</u>	<u>\$ 17,574</u>	<u>\$(2,201)</u>

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 amounts to \$(2,201).

4. Accounts Receivable

	2021	2020
Trade and other receivables	\$ 8,071	\$ 15,582
GST refundable	39,083	29,500
	<u>\$ 47,154</u>	<u>\$ 45,082</u>

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

5. Contributions Receivable

		2021	2020
Dehcho First Nations:			
Kakisa Field Assistant	2019/20	\$ 92	\$ 3,206
Language	2019/20	-	8,556
Resources AAROM	2019/20	-	2,863
Kakisa Lake Fish Study	2020/21	2,236	-
Climate Change Summer Student	2020/21	2,420	-
Community Mental Health Funds	2020/21	3,829	-
COVID-19 Assistance	2020/21	2,390	-
Indigenous Services Canada:			
Youth Workers	2013/14	1,713	1,713
Community Development Capacity Building	2016/17	10,000	10,000
Band Manager's Meeting	2017/18	1,793	1,793
Youth Workers	2017/18	1,633	1,633
Youth Employment Strategy	2018/19	2,800	2,800
Professional and Institutional Development	2018/19	4,500	4,500
Community Involvement Governance Capacity Development	2018/19	10,100	10,100
Band Support Funding	2019/20	-	16,979
Amd#1 - Youth Employment/ Skills Link	2019/20	4,140	41,400
Amd#2 - Leadership Training	2019/20	4,500	4,500
Amd#3 - Governance Plan	2019/20	10,100	10,100
Amd#4 - Band Manager's Meeting	2019/20	-	1,765
Amd#4 - Youth Employment	2020/21	1,110	-
Amd#5 - P&ID Leadership Training	2020/21	2,000	-
Government of NWT:			
Waste Reduction	2016/17	30	30
Resource Co-Management Workshop	2016/17	1,932	1,932
Waste Reduction Recycling Initiative	2017/18	1,200	1,200
CIMP Monitoring Tathlina Watershed Recycling #2	2017/18	2,000	2,000
IRMA Resource Base Funding	2018/19	12,000	12,000
Resource Pressure Funding	2019/20	-	3,000
Health Fair	2019/20	-	500
COVID-19 Safe Restart	2019/20	-	10,000
HSS Community Worker (Deh Cho Health and Social Services)	2020/21	25,480	-
Band Utilities	2019/20	-	3,927
Capital Insurance	2020/21	33,000	-
Community Health Worker	2020/21	20,000	-
ECE Small Community Employment	2020/21	15,707	-
Community Dock and Boat Launch	2020/21	25,000	-
IRMA Resource Base Funding	2020/21	75,000	-
		3,000	-
		279,705	156,497
Less allowances for contributions receivable		(49,702)	(11,713)
		\$ 230,003	\$ 144,784

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

6. Accounts Payable and Accrued Liabilities

	2021	2020
Trade and other	\$ 203,872	\$ 54,000
Government remittances payable	7,998	20,574
	\$ 211,870	\$ 74,574

7. Deferred Contributions

	2020	Additions	Utilized	2021
Indigenous Services Canada:				
CIRNAC - 20/21 Amd#4 - Youth Employ/ Skills Link	\$ 19,544	\$ 44,000	\$ 44,030	\$ 19,514
CIRNAC - 20/21 Amd#5 - P&ID - Leadership Training	45,819	20,000	-	65,819
CIRNAC - 19/20 Amd#3 - P&ID - Governance Plan	182,580	-	39,551	143,029
FNIHB -20/21 Amd#1 - Climate Change	108,303	76,653	110,603	74,353
CIRNAC 19/20 - NAF - Climate Change	275,366	89,057	180,101	184,322
CIRNAC - 20/21 - COVID-19 Response	-	135,081	134,160	921
Government of NWT:				
Community Public Infrastructure (CPI)	4,537,755	634,074	261,789	4,910,040
Gas Tax Funding	1,496,518	124,534	54	1,620,998
HSS - Community Wellness Plan	9,627	105,197	113,038	1,786
COVID-19 Safe Restart	-	76,431	-	76,431
GNWT - Community Dock & Boat Launch	-	75,000	-	75,000
Others:				
MOU - NWT Seniors Society	-	34,125	17,601	16,524
FTHS - Tides	-	14,414	-	14,414
DDEC - Support Employee	11,365	31,000	13,267	29,098
	\$ 6,686,877	\$ 1,459,566	\$ 914,194	\$ 7,232,249

8. Long Term Investment

The Council owns 100% of Noda Enterprises Ltd.(the "Corporation"), a private company incorporated under the *Business Corporation Act* of Northwest Territories. The Corporation's principal activities are to operate the gas pump, motel, and other rental properties. The financial statements of Noda Enterprises Ltd. are not available.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

9. Tangible Capital Assets

			2021	2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 4,206,196	\$ 1,604,573	\$ 2,601,623	\$ 2,741,829
Heavy equipment	1,109,723	734,454	375,269	257,662
Infrastructure	192,172	80,724	111,448	117,853
Land improvements	67,082	47,896	19,186	22,540
Landfills and lagoon	561,805	554,123	7,682	21,727
Mobile equipment	596,043	509,058	86,985	86,328
Office furniture and equipment	342,829	206,137	136,692	148,485
	\$ 7,075,850	\$ 3,736,965	\$ 3,338,885	\$ 3,396,424

10. Equity in Tangible Capital Assets

	2021	2020
Tangible capital assets	\$ 7,075,850	\$ 6,925,547
Accumulated amortization	(3,736,965)	(3,529,123)
	\$ 3,338,885	\$ 3,396,424

11. Accumulated Surplus

	2021	2020
Unrestricted		
General Operating Fund	\$ 1,006,917	\$ 905,614
Enterprise Fund	336,801	336,801
Equity in Tangible Capital Assets	3,338,885	3,396,424
	\$ 4,682,603	\$ 4,638,839

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

12. Government Transfers

	2021	2020
Government of NWT - Municipal and Community Affairs		
NWT	\$ 1,689,288	\$ 1,586,000
Government of NWT	477,143	355,787
Indigenous Services Canada	427,771	538,124
Government of Canada	76,872	-
Dehcho First Nations	195,259	69,457
	\$ 2,866,333	\$ 2,549,368

13. Expenditure by Object

	2021	2020
Advertising and promotion	\$ -	\$ 433
Administration	46,546	54,929
Amortization	222,095	268,777
Bad debts	39,866	-
Bank charges and interest	426	921
Community events	108,381	165,127
Contracted services	210,481	119,721
Contributions repaid (net)	42,672	-
Donations	6,482	19,928
Equipment rental	18,375	7,650
Honoraria	-	40,300
Insurance	61,792	58,069
Loss (gain) on disposal of assets	24,592	-
Materials and supplies	365,221	241,972
Meeting and workshop	3,342	29,154
Members assistance	212,586	-
Miscellaneous	29,057	59,301
Mobile equipment costs	85,438	48,825
Office	20,809	21,968
Power	66,587	71,434
Professional fees	27,120	27,150
Rent and utilities	1,436	6,725
Repairs and maintenance	46,068	25,617
Telephone and Internet	16,651	31,808
Training and scholarships	11,531	1,466
Travel and accommodation	12,967	98,923
Wages and benefits	708,812	596,713
Total Expenditure	\$ 2,389,333	\$ 1,996,911

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

14. Economic Dependence

The Council receives a major portion of its revenue from the Indigenous Services Canada and the Government of the Northwest Territories, including, but not limited to the Department of Municipal and Community Affairs. The nature and extent of this revenue is of such significance that the Council is economically dependent on these sources of revenue.

15. Comparative Figures

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

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.