



Ka'a'gee Tu First Nation

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MOTION # 275 - 2024

That the Ka'a'gee Tu First Nation Council approve the 2022 and 2023 Audit Ka'a'gee Tu First Nation Financial Statement completed by Paul Teoh, Chartered Professional Accountant.

Moved by: Henri Lardry.

Seconded by: Phillip S. Salo.

Date: March 11 2024.

Chief Lloyd Chicot Signature: Lloyd Chicot



KA'AGEE TU FIRST NATION
Kakisa, NT

**CONSOLIDATED
FINANCIAL STATEMENTS**

For the Year Ended March 31, 2023

KA'A'GEE TU FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended March 31, 2023

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KA'A'GEE TU FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended March 31, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following financial discussion and analysis has been prepared by management and should be read in conjunction with the audited consolidated financial statements and their accompanying notes and schedules.

Consolidated Financial Position

The Consolidated Statement of Financial Position reports the Ka'a'gee Tu First Nation's financial and non-financial resources, obligations and accumulated surplus as at March 31, 2023, on a comparative basis. This statement is used to evaluate the Council's ability to finance its activities and to meet its liabilities and commitments. The Council's financial assets increased from \$9,322,284 to \$10,561,798 mainly due to increase in both cash and restricted cash. Similarly, liabilities have increased from \$8,715,219 to \$9,274,060 due mainly from an increase in deferred contributions; the Council has incurred capital expenditures in the amount of \$365,267 in the year. Consequently, the net financial assets have increased from \$1,147,065 to \$1,287,738

The Consolidated Statement of Changes in Net Financial Assets provides an indication of the Council's affordability of additional spending. The changes in net financial assets from \$1,147,065 to \$1,287,738 was due mainly to increase in financial assets and acquisition of tangible capital assets in the year. Though the Council can afford additional spending, it does not have a plan for any significant capital expenditure in the next fiscal year.

The changes in Accumulated Surplus reflect the changes in the Council's net assets. As the Council has an annual surplus of \$215,422, the resulting accumulated surplus has changed from \$5,100,458 to \$5,315,880.



Consolidated Results from Operations

The Consolidated Statement of Operations and Accumulated Surplus reports the Council's changes in economic resources and accumulated surplus for the year ended March 31, 2023, on a comparative basis. During 2023, the Council recorded a consolidated revenue of \$2,757,176 (2022: \$2,683,160). The annual surplus for the year amount to \$215,422 (2022: surplus of \$554,542). The management will continue to monitor future expenditure carefully to ensure that they are in-line with the budget and support Council's vision for a healthy and self-sufficient Nation.

Re-statement of Comparative Figures

For the year ended March 31, 2023, certain contributions from Climate Change Canada were included in the Council's general fund instead of in its respective program. As a result, the comparative figures were restated the closing deferred revenue was increased by \$163,410. Additionally, certain contributions receivable from the Municipal and Community Affairs - Government of NWT was omitted. As a result, the comparative figures were restated where the contributions receivable and annual surplus were increased by \$67,313.

First Nation Manager

Kakisa, NT
March 11, 2024





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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Ka'a'gee Tu First Nation is the responsibility of management.

The financial statements have been prepared by management in accordance with the Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

Ka'a'gee Tu First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Ka'a'gee Tu First Nation's assets are appropriately accounted for and adequately safeguarded.

Ka'a'gee Tu First Nation's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The consolidated financial statements have been audited by Paul Teoh Professional Corporation Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards. Their report to the members of Ka'a'gee Tu First Nation, stating the scope of their examination and opinion on the financial statements, follows.

Hloyd Out

Chief

Kakisa, NT
March 11, 2024

Ruby Somba

First Nation Manager



INDEPENDENT AUDITORS' REPORT

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

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, 2023 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, 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, 2023, 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 Opinion

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

Other Information

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.

PAUL TEOH

Chartered Professional Accountants

- 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

Paul Teoh Professional Corporation
Chartered Professional Accountants

Calgary, Alberta
March 11, 2024

KA'A'GEE TU FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31,	2023	2022
(Restated)		
Financial Assets		
Cash and cash equivalents (note 2)	\$ 2,669,880	\$ 2,151,541
Restricted deposits (note 3)	7,293,048	6,723,900
Accounts receivable (note 4)	278,798	187,664
Contributions receivable (note 5)	320,072	259,179
Total Financial Assets	10,561,798	9,322,284
Liabilities		
Accounts payable and accrued liabilities (note 6)	33,935	113,974
Contributions repayable (note 7)	41,585	16,385
Deferred contributions (note 8)	9,198,540	8,044,860
Total Liabilities	9,274,060	8,175,219
Net Financial Assets	1,287,738	1,147,065
Non-Financial Assets		
Long term investment (note 9)	229,699	248,062
Tangible capital assets (note 10)	3,792,173	3,699,091
Prepaid expenses and deposits	6,270	6,240
Total Non-Financial Assets	4,028,142	3,953,393
Accumulated Surplus (note 12)	\$ 5,315,880	\$ 5,100,458

Approved on behalf of the Council:

 Councillor

 Councillor

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

KA'A'GEE TU FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31,	2023	2023	2022
	Budget (Unaudited)	Actual	Actual (Restated)
Revenue			
Contributions:			
- Municipal and Community Affairs NWT	\$ -	\$ 1,564,000	\$ 1,717,815
- Indigenous Services Canada	- -	271,244	461,199
- Government of Canada	- -	134,700	67,200
- Dehcho First Nations	- -	990,802	439,198
- Government of NWT	- -	536,985	505,387
Interest revenue	- -	105,169	15,841
Other revenue and recoveries	- -	307,958	289,130
Add opening deferred revenue	- -	8,044,859	7,232,249
Less closing deferred revenue	- -	(9,198,541)	(8,044,859)
		2,757,176	2,683,160
Expenditure			
Municipal Services:			
Municipal administration	- -	724,315	643,066
Recreation	- -	14,000	14,001
Utilities and operating	- -	59,129	126,812
Water and sewage	- -	309,172	298,394
Other municipal programs	- -	27,980	-
Indigenous Services Canada Band Member Services:			
Band support administration	- -	101,654	103,017
Climate change adaptation	- -	119,799	105,387
Covid response	- -	37,626	76,175
Governance capacity development	- -	134,120	69,136
Summer and youth programs	- -	-	30,514
Community economic development	- -	18,702	-
Dehcho First Nation Programs:			
Advisory	- -	46,981	33,925
Other programs	- -	167,783	39,426
Language and culture	- -	36,167	15,110
Resource management	- -	15,211	43,237
Youth programs	- -	-	10,577
Government of NWT Programs:			
Community employment	- -	36,996	30,000
Health and wellness	- -	209,486	158,734
Housing initiatives	- -	53,500	23,531
Hunters and trappers assistance	- -	33,750	33,750
Community justice	- -	41,500	41,500
Childhood and youth programs	- -	18,000	19,452
Resource programs	- -	154,195	41,147
Other GNWT programs	- -	57,199	20,048
Other Programs:			
Administration	- -	79,758	121,087
Community events	- -	21,232	11,396
Other projects	- -	2,130	4,450
Field trips and land activities	- -	3,006	62,695
Total Expenditure	- -	2,523,391	2,176,567
Operating Surplus (Deficit)	- -	233,785	506,593
Equity Earnings (Loss) from Investments	- -	(18,363)	47,949
Annual Surplus (Deficit)	- -	215,422	554,542
Accumulated Surplus, beginning of year	5,100,458	5,100,458	4,545,916
Accumulated Surplus, end of year	\$ 5,100,458	\$ 5,315,880	\$ 5,100,458

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,	2023	2023	2022
	Budget (Unaudited)	Actual	Actual (Restated)
Annual Surplus (Deficit)	\$ -	\$ 215,422	\$ 554,542
Acquisition of tangible capital assets	-	(365,267)	(607,169)
Amortization of tangible capital assets	-	272,185	246,963
Decrease (increase) in long term investments	-	18,363	(47,949)
Decrease (increase) in prepaid expenses and deposits	-	140,703	146,387
	-	(30)	-
Increase (Decrease) in Net Financial Assets	-	140,673	146,387
Net Financial Assets, beginning of year	1,147,065	1,147,065	1,000,678
Net Financial Assets, end of year	\$ 1,147,065	\$ 1,287,738	\$ 1,147,065

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

KA'A'GEE TU FIRST NATION
CONSOLIDATED STATEMENT OF CHANGES IN ACCUMULATED SURPLUS

	General Operating Fund	Enterprise Fund	Equity in Tangible Capital Assets	Total
<u>For the Year Ended March 31, 2023</u>				
Annual Surplus (Deficit)	\$ 215,422	\$ -	\$ -	\$ 215,422
Net Interfund Transfers:				
Amortization	272,185	-	(272,185)	-
Additions of tangible capital assets	(365,267)	-	(365,267)	-
Loss (earnings) from subsidiaries	(18,363)	(18,363)	-	-
Changes in Fund Balances	140,703	(18,363)	93,082	215,422
Fund Balances, beginning of year	1,153,303	248,062	3,699,093	5,100,458
Fund Balances, end of year	\$ 1,294,006	\$ 229,699	\$ 3,792,175	\$ 5,315,880
<u>For the year ended March 31, 2022</u>				
	(Restated)			(Restated)
Annual Surplus (Deficit)	\$ 554,542	\$ -	\$ -	\$ 554,542
Net Interfund Transfers:				
Amortization	246,963	-	(246,963)	-
Additions of tangible capital assets	(607,169)	-	(607,169)	-
Loss (earnings) from subsidiaries	(47,949)	47,949	-	-
Changes in Fund Balances	146,387	47,949	360,206	554,542
Fund Balances, beginning of year	1,006,916	200,113	3,338,887	4,545,916
Fund Balances, end of year	\$ 1,153,303	\$ 248,062	\$ 3,699,093	\$ 5,100,458

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

10.

KA'A'GEE TU FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31,	2023	2022
Cash Flows from Operating Activities		
Cash receipts from government transfers	\$ 3,436,838	\$ 3,144,123
Cash receipts from contributions and recoveries	347,191	173,148
Cash paid to suppliers and employees	(2,331,275)	(2,002,299)
	<u>1,452,754</u>	<u>1,314,972</u>
Cash Flows from Investing Activities		
Decrease (increase) in restricted cash	(569,148)	(195,065)
	<u>(569,148)</u>	<u>(195,065)</u>
Capital Transactions		
Purchase of tangible capital assets	(365,267)	(607,169)
	<u>(365,267)</u>	<u>(607,169)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	518,339	512,738
Cash and Cash Equivalents, beginning of year	2,151,541	1,638,803
Cash and Cash Equivalents, end of year	\$ 2,669,880	\$ 2,151,541

The accompanying notes and schedules are an integral part of these consolidated financial statements.11.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

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
<u>Noda Enterprises Ltd.</u>	100%	March 31, 2023

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.

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

1. Significant Accounting Policies (Continued)

(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.

(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

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

1. Significant Accounting Policies (Continued)

(g) Allocation of Expenditure

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

(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, 2023

2. Cash and Cash Equivalents

	2023	2022
Bank main operating	\$ 2,669,880	\$ 2,151,541

3. Restricted Deposits

	2023	2022
RBC Business Savings Account - Community Public Infrastructure	\$ 5,373,397	\$ 4,916,150
RBC Business Savings Account - Federal Gas Tax	1,919,651	1,807,750
	<hr/> \$ 7,293,048	<hr/> \$ 6,723,900

Interests on RBC Business Savings Account are paid monthly at rates are around 2.5% per annum depending on monthly average account balance.

	Community Public Infrastructure	Federal Gas Tax Funding	Total
Deferred contributions	\$ 5,480,471	\$ 1,902,131	\$ 7,382,602
Less contributions receivable	(50,000)	- (50,000)	(50,000)
Required balance	5,430,471	1,902,131	7,332,602
Restricted cash deposits	5,373,397	1,919,651	7,293,048
Deposit (deficiency)	\$(57,074)	\$ 17,520	\$(39,554)

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, 2023, total net cash deficiency amounts to \$39,554.

4. Accounts Receivable

	2023	2022
Trade and other receivables	\$ 223,385	\$ 126,236
GST refundable	55,413	61,428
	<hr/> \$ 278,798	<hr/> \$ 187,664

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

5. Contributions Receivable

		2023	2022
(Restated)			
Dehcho First Nations:			
Kakisa Field Assistant	2019/20	\$ 92	\$ 92
Community Protected Areas	2022/23	86,983	-
Community Mental Health Funds	2022/23	4,201	-
Covid Public Health Funds	2021/22	5,882	5,882
Language Program	2022/23	13,055	-
Language Program	2021/22	5,028	8,556
Kakisa Grayling Monitoring	2021/22	-	3,225
Office Space Rent	2021/22	5,450	5,900
Indigenous Services Canada:			
Community Development Capacity			
Building	2016/17	-	10,000
Professional and Institutional			
Development	2018/19	4,500	4,500
Community Involvement Governance			
Capacity Development	2018/19	10,100	10,100
Amd#1 - Youth Employment/ Skills Link	2019/20	4,140	4,140
Amd#2 - Leadership Training	2019/20	4,500	4,500
Amd#3 - Governance Plan	2019/20	10,100	10,100
Amd#4 - Youth Employment	2020/21	1,110	1,110
Amd#5 - P&ID Leadership Training	2020/21	2,000	2,000
Amd#4 - Youth Employment Strategy	2021/22	1,100	1,100
Amd#5 - P&ID - Estate Planning	2021/22	3,750	3,750
2223-NR-00018 Housing Infrastructure	2022/23	12,834	-
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	2017/18	2,000	2,000
Recycling #2	2018/19	12,000	12,000
Community Health Worker	2020/21	-	15,707
Community Dock and Boat Launch	2020/21	-	75,000
IRMA Resource Base Funding	2022/23	3,000	-
Anti-Poverty - Building Safe Housing	2021/22	-	17,000
Cultural Camp Community Gathering	2021/22	-	20,000
IRMA Resource Base Funding	2021/22	-	3,000
Community Composting Program	2021/22	4,804	4,804
NODA Community Tourism Coordinator	2022/23	50,000	-
Cultural Camp Community Gathering	2022/23	20,000	-

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

5. Contributions Receivable (Continued)

		2023	2022
MACA - Community Public Infrastructure (CPI)	2022/23	50,000	-
Straight From the Heart	2022/23	1,370	-
MACA - ICIP - Community Drainage and Road Improvements	2022/23	-	67,313
CBM - Training Workshop	2022/23	1,582	-
Berry Research Project	2022/23	1,700	-
DULPC - Kakisa Map Project	2022/23	27,391	-
Others:			
Wilfrid Laurier University		-	6,000
		351,834	300,941
Less allowances for contributions receivable	(31,762)	(41,762)
		\$ 320,072	\$ 259,179

6. Accounts Payable and Accrued Liabilities

		2023	2022
Trade and others	\$ 22,097	\$ 105,269	
Government remittances payable	\$ 11,839	8,709	
	\$ 33,936	\$ 113,978	

7. Contributions Repayable

		2023	2022
Dehcho First Nation	\$ 28,079	\$ 2,879	
Other Funding Agencies	\$ 13,506	13,506	
	\$ 41,585	\$ 16,385	

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

8. Deferred Contributions

	2022 Opening	Additions	Utilized	2023 Closing
(Restated)				
Indigenous Services Canada:				
ISC - 21/22 Amd#3 - P&ID - Governance Plan	\$ 73,893	\$ -	\$ 45,505	\$ 28,388
ISC - 21/22 Amd#5 - P&ID - Estate Planning	37,500	-	23,092	14,408
ISC - 22/23 Amd#12 (Yr 3) - Climate Change	74,376	59,700	134,076	-
ISC - 21/22 - NAF - Climate Change	301,708	-	5,083	296,625
ISC - 22/23 Amd#2 - Housing Infrastructure	70,000	128,333	18,702	179,631
ISC - 20/21 Amd#5 - P&ID - Leadership Training	65,819	-	65,523	296
CaNor - 22/23 - Community Dévelopement	-	75,000	-	75,000
Government of NWT:				
Community Public Infrastructure (CPI)	5,027,477	698,269	245,275	5,480,471
Gas Tax Funding	1,790,231	111,900	-	1,902,131
HSS - Community Wellness Plan	18,325	104,887	122,872	340
GNWT - Community Dock & Boat Launch	75,000	-	-	75,000
GNWT - Community Composting Program	41,415	-	41,415	-
NWTHC - Comm. Housing Support	53,500	-	53,500	-
MOU - NWT Seniors Society	15,502	-	15,502	-
DDEC - Support Employee	21,572	31,000	36,619	15,953
GNWT - Straight from the Heart	-	12,150	-	12,150
Canadian Heritage - Straight from the Heart	-	27,304	18,061	9,243
Dehcho First Nations:				
DFN - COVID Public Health Funds	61,402	-	61,402	-
DFN - Economic Development Funding	305,421	-	46,981	258,440
DFN - Community Protective Areas	-	869,828	87,114	782,714
DFN - Mental Wellness Funds	-	28,008	8,971	19,037

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

8. Deferred Contributions (Continued)

	2022 Opening	Additions	Utilized	2023 Closing
Others:				
FTHS - Tides	11,719	-	-	11,719
TT Full Circle - Protected Areas (Kakisa/Samba Ke)	-	40,000	3,006	36,994
	\$ 8,044,860	\$ 2,186,379	\$ 1,032,699	\$ 9,198,540

9. 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 following summarizes the financial position and results of operations of the Corporation as at and for the year ended March 31, 2023

	2023	2022
Financial Position		
Current assets	\$ 27,848	\$ 71,111
Non-current assets	224,991	241,180
Total assets	252,839	312,291
Current liabilities	22,732	31,227
Non-current liabilities	156,998	156,998
Shareholder's equity	\$ 73,109	\$ 124,066
Financial Performance		
Revenues	\$ 16,800	\$ 75,066
Expenses	67,758	27,117
Net earnings (loss)	\$(50,958)	\$ 47,949
Investments:		
Investment at cost	\$ 47	\$ 47
Receivable from Corporation	123,996	123,996
Accumulated equity earnings	105,656	124,019
Investment	229,699	248,062
Investment in Corporation	\$ 229,699	\$ 248,062

KA'A'GEE TU FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

10. Tangible Capital Assets

			2023	2022
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 4,493,998	\$ 1,894,425	\$ 2,599,573	\$ 2,598,351
Heavy equipment	1,589,632	857,757	731,875	638,893
Infrastructure	362,897	101,469	261,428	255,134
Land improvements	67,082	54,604	12,478	15,832
Landfills and lagoon	561,805	561,805	-	-
Mobile equipment	596,043	529,488	66,555	76,770
Office furniture and equipment	376,831	256,567	120,264	114,113
	\$ 8,048,288	\$ 4,256,115	\$ 3,792,173	\$ 3,699,093

11. Equity in Tangible Capital Assets

	2023	2022
Tangible Capital Assets		
- Cost	\$ 8,048,288	\$ 7,683,021
- Accumulated amortization	(4,256,115)	(3,983,930)
	\$ 3,792,173	\$ 3,699,091

12. Accumulated Surplus

	2023	2022
(Restated)		
Unrestricted		
General Operating Fund	\$ 1,294,008	\$ 1,153,303
Enterprise Fund	229,699	248,062
Equity in Tangible Capital Assets	3,792,173	3,699,093
	\$ 5,315,880	\$ 5,100,458

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

13. Government Transfers

	2023	2022
Government of NWT - Municipal and Community Affairs	\$ 1,564,000	\$ 1,717,815
Government of NWT	536,985	505,387
Indigenous Services Canada	271,244	461,199
Government of Canada	134,700	67,200
Dehcho First Nations	990,802	439,198
	<hr/> \$ 3,497,731	<hr/> \$ 3,190,799

14. Expenditure by Object

	2023	2022
Administration	\$ 65,061	\$ 35,129
Amortization	272,185	246,963
Bad debts (recovered)	(10,000)	-
Bank charges and interest	680	1,112
Community events	65,991	69,822
Contracted services	219,640	223,697
Contributions repaid (net)	1,582	13,506
Donations	1,986	668
Equipment rental	26,000	47,960
Honoraria	23,800	4,400
Insurance	68,207	65,653
Materials and supplies	67,162	119,413
Meeting and workshop	85,319	34,862
Members assistance	271,132	163,963
Miscellaneous	106,451	74,343
Mobile equipment costs	105,997	75,334
Office	42,768	18,109
Professional fees	54,224	56,208
Rent	11,717	500
Repairs and maintenance	14,814	18,842
Telephone and Internet	21,167	11,726
Training and scholarships	4,465	5,479
Travel and accommodation	100,692	61,739
Utilities	148,379	73,237
Wages and benefits	753,972	753,902
Total Expenditure	<hr/> \$ 2,523,391	<hr/> \$ 2,176,567

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

15. 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.

16. Comparative Figures

For the year ended March 31, 2022, there was Climate Change Canada funding (ISC - 21/22 - NAF - Climate Change) of \$163,410 that was included in the Council's general fund instead of in its respective program. As a result, closing deferred revenue for this Climate Change Canada program was understated and the Council's overall annual surplus was overstated by this amount. Management has since corrected this omission and the comparative figures were restated where the previous year's closing revenue was increased by \$163,410 and the annual surplus was reduced by \$163,410.

Additionally, the Council received funding from the Investing in Canada Infrastructure Program from the Municipal and Community Affairs - Government of NWT in the amount of \$67,313. The related expenses for this program were incurred in the previous year, but the funding was received in the current year. As a result, the contribution receivable and annual surplus were understated by \$67,313. Management has corrected this error and the comparative figures were restated where the previous year's contributions, contributions receivable and annual surplus were increased by \$67,313.

As such, the comparative figures have been restated as follows:

	Originally Stated	Adjustments	Restated
Statement of Financial Position:			
Deferred revenue	\$ 7,887,450	\$(157,410)	\$ 8,044,860
Contributions receivable	191,866	67,313	259,179
<u>Accumulated surplus</u>	<u>5,190,554</u>	<u>(90,096)</u>	<u>5,100,458</u>
Statement of Operations:			
Contributions:			
- Municipal and Community Affairs	1,650,502	67,313	1,717,815
Less closing deferred revenue	7,887,449	(157,410)	8,044,859
<u>Annual surplus (deficit)</u>	<u>\$ 644,638</u>	<u>\$(90,096)</u>	<u>\$ 554,542</u>

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

KA'A'GEE TU FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023

17. 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.