

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

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## FIRST NATION'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements for Behdzi Ahda' First Nation Band are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

Council members meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Bulat & Poustie Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Behdzi Ahda' First Nation Band and meet when required.

  
\_\_\_\_\_  
Chief  
August 24, 2022

**INDEPENDENT AUDITOR'S REPORT****TO THE CHIEF, COUNCIL AND MEMBERSHIP  
BEHDZI AHDA' FIRST NATION BAND****Qualified Opinion**

We have audited the consolidated financial statements of Behdzi Ahda' First Nation Band (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, accumulated surplus, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for Qualified Opinion**

The investment in Berah Gutone Tue" Enterprises Ltd. has been recorded at cost where as the First Nation is required to record this investment using the modified equity method. We were not able to obtain the necessary information to account for the investment in Berah Gutone Tue" Enterprises Ltd. under this method. This business enterprise has many investments and partnerships which certain financial information was not available, audited or had year ends that did not coincide. Therefore we were not able to determine whether any adjustments might be necessary to the investment in Berah Gutone Tue" Enterprises Ltd. and the equity earnings from this government business enterprise. The condensed supplementary financial information has also not been disclosed in the notes. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical 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 qualified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated 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 consolidated 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 First Nation'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 First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



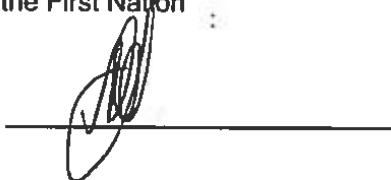
August 24, 2022  
Winnipeg, Manitoba

**CHARTERED PROFESSIONAL ACCOUNTANTS**

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>FINANCIAL ASSETS</b>		
Unrestricted cash and term deposits, note 3	\$ 2,884,517	\$ 2,569,462
Restricted cash and term deposits, note 4	3,627,246	3,034,813
Accounts and loans receivable, Schedule 75	2,553,775	2,254,079
Investment in Berah Gutone Tue" Enterprises Ltd., note 5	50	50
Due from related parties, note 6	750,000	750,000
	<b>9,815,588</b>	8,608,404
<b>LIABILITIES</b>		
Accounts payable and accrued Schedule 76	\$ 630,251	\$ 311,742
Contributions repayable, note 7	22,289	3,450
Deferred revenue, note 8	3,702,246	3,034,813
Due to related parties, note 9	237,489	237,489
	<b>4,592,275</b>	3,587,494
<b>NET FINANCIAL ASSETS</b>	<b>\$ 5,223,313</b>	<b>\$ 5,020,910</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets, Schedule 77	\$ 8,319,704	\$ 7,928,562
Prepaid expenses and deposits	104,012	54,735
	<b>8,423,716</b>	7,983,297
<b>ACCUMULATED SURPLUS, Schedule 78</b>	<b>\$ 13,647,029</b>	<b>\$ 13,004,207</b>
<b>CONTINGENCIES, note 10</b>		

Approved on Behalf of the First Nation

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	Budget Unaudited	2022 Actual	2021 Actual
<b>REVENUE</b>			
Grants - Government of the Northwest Territories			
Operating	\$ 2,244,044	\$ 1,980,855	\$ 2,112,519
Capital	1,551,374	651,150	770,615
Housing Corporation	25,649	25,649	238,351
Grants - Federal government			
Indigenous Services Canada	1,321,847	1,307,881	1,014,483
Food Banks Canada	48,068	48,068	70,000
Canadian Heritage	39,300	1,309	-
Canadian Northern Economic Development Agency	28,000	50,963	-
Agriculture and Agri-Food Canada	80,000	80,000	-
Department of Justice Canada	195,914	26,592	-
Contributions and donations	389,514	379,394	116,864
Imperial Oil	21,750	4,955	5,638
Interest	10,000	23,163	43,182
Management support	-	127,350	116,651
Rental	18,000	18,000	18,000
Sahtu Dene Council	73,610	73,610	96,370
Sahtu Health and Social Services Authority	20,000	10,092	19,302
Sahtu Renewable Resources Board	40,000	25,035	11,760
Sahtu Secretariat Inc.	270,324	204,296	158,965
Total revenue (Schedule 1)	6,377,394	5,038,362	4,792,700
<b>EXPENSES</b>			
Band government	1,102,229	1,338,909	1,223,875
Community services	526,658	525,457	337,015
Health services	581,465	469,960	133,310
Housing	60,404	66,525	238,351
Protective services	-	-	6,567
Recreation and cultural services	355,424	298,747	246,975
Regional planning and economic development	602,890	95,879	46,028
Resource conservation	427,414	240,374	219,076
Self government	616,492	616,492	644,804
Transportation services	556,000	412,596	354,300
Water and sewer services	457,000	330,601	271,642
Total expenses (Schedule 1)	5,285,976	4,395,540	3,721,943
<b>SURPLUS FOR THE YEAR</b>	<b>\$ 1,091,418</b>	<b>\$ 642,822</b>	<b>\$ 1,070,757</b>

The accompanying notes are an integral part of the financial statements

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 642,822</b>	\$ 1,070,757
Purchase of tangible capital assets	(778,520)	(865,972)
Amortization of tangible capital assets	387,378	369,250
Increase in prepaid expenses	(49,277)	(14,812)
	<b>(440,419)</b>	(511,534)
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>202,403</b>	559,223
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>5,020,910</b>	4,461,687
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 5,223,313</b>	\$ 5,020,910

The accompanying notes are an integral part of the financial statements

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2022**

	<b>2022</b>	<b>2021</b>
<b>CASH FLOW FROM OPERATING TRANSACTIONS</b>		
Cash receipts from funding arrangements and customers	\$ 5,228,539	\$ 4,485,750
Cash paid to suppliers, employees and others	(3,735,120)	(3,441,368)
Interest received	23,163	43,182
Interest paid	(3,811)	(3,304)
	<b>1,512,771</b>	1,084,260
<b>CASH FLOW FROM CAPITAL TRANSACTIONS</b>		
Purchase of tangible capital assets	(778,520)	(865,972)
	<b>(778,520)</b>	(865,972)
<b>CASH FLOW FROM INVESTING TRANSACTIONS</b>		
Purchase of investments	-	(97,391)
<b>INCREASE IN CASH</b>	<b>734,251</b>	120,897
<b>CASH, BEGINNING OF YEAR</b>	<b>1,865,691</b>	1,744,794
<b>CASH, END OF YEAR</b>	<b>\$ 2,599,942</b>	\$ 1,865,691
<b>CASH IS COMPRISED OF:</b>		
Unrestricted cash, note 3	\$ 822,405	\$ 519,173
Restricted cash, note 4	1,777,537	1,346,518
	<b>\$ 2,599,942</b>	\$ 1,865,691

The accompanying notes are an integral part of the financial statements

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

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.

**Reporting Entity**

The Behdzi Ahda' First Nation reporting entity includes Behdzi Ahda' First Nation and all related entities that are either owned or controlled by the First Nation. Control is defined as the power to govern the financial and operating policies of another organization with expected benefits or the risk of loss from the other organization's activities. Control exists regardless of whether the government chooses not to exercise its power to govern so long as it has the ability to govern. Control must exist at the financial statement date, without the need to amend agreements.

**Principles of Consolidation**

These consolidated financial statements report on the assets, liabilities and results of operations for all the following entities which are considered to be extensions of the Behdzi Ahda' First Nation Band government operations:

Behdzi Ahda' First Nation Band

Colville Lake Development Fund

All of the above entities were subject to an audit. All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions between them have not necessarily been eliminated on the individual schedules.

**Investments**

The investment in Berah Gutone Tue" Enterprises Ltd. is recorded at cost.

**Fund Accounting**

The Behdzi Ahda' First Nation Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. These funds have been amalgamated for the purpose of presentation in the consolidated financial statements. The Behdzi Ahda' First Nation Band maintains the following funds:

- (i) Operating fund which reports the general activities of the First Nation Administration.
- (ii) Capital fund which reports the tangible capital assets of the First Nation not included in other funds, together with their related financing.
- (iii) Water and sewer services fund which reports the water and sewer activities of the First Nation Administration.

**Asset Classification**

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

**Cash**

Cash and cash equivalents include cash on hand and balances with banks net of outstanding cheques and bank overdrafts.

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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Significant Accounting Policies - continued

**Term Deposits**

The term deposits are recorded at cost plus accrued interest.

**Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor.

Certain assets which have historical or cultural value including works of art, historical documents as well as historical or cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Assets under construction are not amortized until the asset is available to be put into service.

Amortization is provided for as follows:

	<u>Rate</u>	<u>Method</u>
Land improvements	3 to 30 years	Straight line
Buildings	20 to 50 years	Straight line
Vehicles and equipment	5 to 10 years	Straight line
Computer hardware and software	4 years	Straight line
Roads and streets	30 to 40 years	Straight line
Water and sewer	25 to 30 years	Straight line

**Net Financial Assets**

The First Nation's consolidated financial statements are presented so as to highlight net financial assets or net debt as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities.

**Revenue Recognition**

All revenue is recorded on an accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

**Measurement Uncertainty**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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Significant Accounting Policies - continued

Economic Dependence

The primary source of cash flow is funding from Indigenous Services Canada and the Government of the Northwest Territories. The funding agreement can be cancelled if the First Nation does not observe certain established guidelines. The First Nation's ability to continue viable operations is dependent upon maintaining its current funding agreements.

Allocation of Expenses

The Chief and Council records a number of First Nation's expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

The Chief and Council allocated certain of the First Nation's general support expenses by identifying the appropriate basis of allocating each expense.

Segmented Disclosure

A segment is defined as a distinguishable activity or group of key government services for which it is appropriate to separately report financial information to achieve the objectives of the standard. The First Nation has determined the most appropriate basis for classifying segments is by program, however has disclosed expenses by both segment and program. Segmented disclosures are provided on the Statement of Operations and by program on Schedules 1-74.

Contaminated Sites

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- an environmental standard exists,
- contamination exceeds the environmental standard,
- the First Nation is directly responsible or accepts responsibility for the liability,
- future economic benefits will be given up, and
- a reasonable estimate of the liability can be made

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## **2. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**

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Fair Value of Financial Instruments

The fair values of cash, term deposits, accounts and loans receivable, loan receivable, accounts payable and accrued liabilities and contributions repayable approximate their carrying values due to their short-term maturity.

The fair values of the amounts due from and to related parties cannot be readily and have not been disclosed due to the fact that the amounts are non-interest bearing, have no terms of repayment and cash flow stream is not determinable.

The fair values of due from and to related parties and investment in Berah Gutone Tue" Enterprises Ltd. cannot be readily determined.

Financial Risk Management - overview

The First Nation has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; market risk; interest risk; and foreign currency risk.

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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Financial Instruments and Financial Risk Management - continued

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the First Nation to credit risk consist principally of cash, term deposits, accounts and loans receivables, loans receivables and due from related parties.

The maximum exposure of the First Nation to credit risk at year end is:

	<b>2022</b>	<b>2021</b>
Unrestricted cash and term deposits	\$ 2,884,517	\$ 2,569,462
Restricted cash and term deposits	3,627,246	3,034,813
Accounts and loans receivable	2,553,775	2,254,079
Due from related parties	750,000	750,000
	<b>\$ 9,815,538</b>	<b>\$ 8,608,354</b>

Cash and term deposits: The First Nation is not exposed to significant credit risk as the cash and term deposits are primarily held by major financial institutions.

Accounts and loans receivables: The First Nation is not exposed to significant credit risk as no one party accounts for a significant balance and payment in full is typically collected when it is due. The First Nation establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

Due from related parties: The First Nation is exposed to normal credit risk which has been mitigated due to offsetting amounts due to certain related parties.

The change in the allowance for doubtful accounts during the year was as follows:

	<b>2022</b>	<b>2021</b>
Balance, beginning of the year	\$ 20,164	\$ 14,982
Provision for receivable impairment	39,883	5,182
Amounts written off	(24,883)	-
Balance, end of the year	<b>\$ 35,164</b>	<b>\$ 20,164</b>

Liquidity Risk

Liquidity risk is the risk that the First Nation will not be able to meet its financial obligations as they come due.

The First Nation manages liquidity risk by maintaining adequate cash balances and monitoring by management to ensure adequate funding will be received to meet the obligations.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the First Nation's income or the fair values of its financial instruments. The significant market risks the First Nation is exposed to are interest rate risk and foreign currency risk.

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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Financial Instruments and Financial Risk Management - continued

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to the term deposit.

The interest rate risk on the term deposit is considered to be low because of the short term nature.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The First Nation is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

	<b>2022</b>	<b>2021</b>
<b>General operations</b>		
Guaranteed investment certificate earning interest at 0.40% and maturing June 14, 2022. The balance includes \$1,223,220 principal plus \$3,888 accrued interest (2021 - interest at 1.25%, maturing June 14, 2021, \$1,208,037 principal plus \$12,080 accrued interest)	\$ 1,227,108	\$ 1,220,117
Cash	<u>(992,480)</u>	(1,040,848)
	234,628	179,269
<b>Colville Lake Development Fund</b>		
Guaranteed investment certificate earning interest at 0.80% and maturing March 15, 2023. The balance includes \$54,372 principal plus \$19 accrued interest (2021 - interest at 0.30% and maturing March 15, 2022, \$54,210 principal plus \$7 accrued interest)	54,391	54,217
<b>Water and sewer</b>		
Guaranteed investment certificate earning interest at 0.60% and maturing April 9, 2022. The balance includes \$775,305 principal plus \$5,308 accrued interest (2021 - interest at 0.60%, maturing April 9, 2022, \$775,305 principal plus \$650 accrued interest)	780,613	775,955
Cash	<u>1,814,885</u>	1,560,021
	<u>2,649,889</u>	2,390,193
	<hr/> <b>\$ 2,884,517</b>	<hr/> <b>\$ 2,569,462</b>

The First Nation does not have a bank overdraft. The cash for general operations and water and sewer are held in the same bank account.

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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<b>4. RESTRICTED CASH AND TERM DEPOSITS</b>	<b>2022</b>	<b>2021</b>
<b>CPI Funding</b>		
Guaranteed investment certificate earning interest at 0.40% and maturing June 14, 2022. The balance includes \$285,397 principal plus \$907 accrued interest (2021 - interest at 1.25%, maturing June 14, 2021, \$281,854 principal plus \$2,819 accrued interest)	\$ 286,304	\$ 284,673
Guaranteed investment certificate earning interest at 0.40% and maturing June 14, 2022. The balance includes \$1,040,601 principal plus \$3,307 accrued interest (2021 - interest at 1.25%, maturing June 14, 2021, \$1,027,685 principal plus \$10,277 accrued interest)	1,043,908	1,037,962
Cash	735,307	525,381
<b>Holdback receivable</b>	<b>(75,000)</b>	-
Required balance	1,990,519	1,848,016
<b>Federal Gas Tax Funding</b>		
Guaranteed investment certificate earning interest at 0.40% and maturing June 14, 2022. The balance includes \$2,379 principal plus \$8 accrued interest (2021 - interest at 1.50%, maturing June 14, 2021, \$2,350 principal plus \$23 accrued interest)	2,387	2,373
Guaranteed investment certificate earning interest at 0.40% and maturing June 14, 2022. The balance includes \$364,210 principal plus \$1,158 accrued interest (2021 - interest at 1.25%, maturing June 14, 2021, \$359,690 principal plus \$3,597 accrued interest)	365,368	363,287
Cash	510,822	345,412
Required balance	878,577	711,072
<b>Other</b>		
Community Capacity Building Fund - cash	43,191	43,191
Community Wellness - cash	-	12,826
Sahtu Renewable Resources Board - cash	43,262	28,297
MACA - New sewage lagoon - cash	69,872	69,872
GNWT Small Community Employment Support - cash	44,300	25,000
GNWT Housing Corporation - cash	-	25,649
GNWT Capital grant - cash	57,420	-
Sahtu Secretariat Inc. - cash	76,460	59,453
Ducks Unlimited - cash	25,177	25,177
Department of Justice Canada - cash	169,322	-
Supportive Home Services - cash	9,908	-
ISC - cash	187,540	134,005
Community Log Cutting/Hauling - cash	14,903	34,755
Imperial Oil - cash	16,795	-
Sahtu Dene Council - cash	-	17,500
	<b>\$ 3,627,246</b>	<b>\$ 3,034,813</b>

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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Restricted Cash and Term Deposits - continued

At year end, the actual CPI bank account and GIC has a combined balance of \$2,354,706 resulting in a surplus of \$364,187 (2021 - \$532,537). The actual Federal Gas Tax funding bank account and GIC has a combined balance of \$966,577 resulting in a surplus of \$88,000 (2021 - \$58,000). The remaining restricted cash is not held in separate bank accounts.

**5. INVESTMENT IN BERAH GUTONE TUE" ENTERPRISES LTD.**

The First Nation owns 50 Class A common voting shares (50% ownership) of Berah Gutone Tue" Enterprises Ltd.

<b><u>6. DUE FROM RELATED PARTIES</u></b>	<b>2022</b>	<b>2021</b>
Behdzi Ahda' First Nation Economic Development Trust, non-interest bearing loan with no specific terms of repayment.	\$ 750,000	\$ 750,000

<b><u>7. CONTRIBUTIONS REPAYABLE</u></b>	<b>2022</b>	<b>2021</b>
Contributions repayable represent unexpended funding which according to the terms of the funding agreement are to be repaid to the issuer as follows:		
Government of the Northwest Territories		
ITI Tourism	\$ 22,289	\$ -
Sahtu Renewable Resource Board - Muskox survey	-	3,450
	<b>\$ 22,289</b>	<b>\$ 3,450</b>

**BEHDZI AHDA' FIRST NATION BAND**  
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**8. DEFERRED REVENUE**

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Deferred revenue consists of amounts received from various sources in excess of eligible amounts expended or for the expenditures that will be incurred in a subsequent fiscal period. This amount is comprised of the following:

	<b>Balance, Beginning of Year</b>	<b>Funding Received or Receivable</b>	<b>Interest Earned</b>	<b>Funding Expended</b>	<b>Balance, End of Year</b>
<b>Government of the Northwest Territories</b>					
Community Capacity Building Fund					
Plan	\$ 43,191	\$ -	\$ -	\$ -	<b>43,191</b>
MACA - Sewage Lagoon	69,872	-	-	-	<b>69,872</b>
Community Wellness (Sch. 21)	12,826	128,773	-	141,599	-
Small Community Employment					
Support Program (Sch. 26)	25,000	58,000	-	38,700	<b>44,300</b>
Capital grant (Sch. 29)	-	250,768	-	193,348	<b>57,420</b>
Housing Corporation (Sch. 34)	25,649	-	-	25,649	-
Employment Officer (Sch. 57)	-	30,000	-	-	<b>30,000</b>
Community Public Infrastructure					
Funding (Sch. 79)	1,848,016	675,000	8,465	465,962	<b>2,065,519</b>
<b>Sahtu Health and Social Services</b>					
Supportive Living Assistance					
(Sch. 23)	-	20,000	-	10,092	<b>9,908</b>
<b>Sahtu Renewable Resources</b>					
Board (Sch. 45)	28,297	40,000	-	25,035	<b>43,262</b>
<b>Federal Gas Tax Funding</b> (Sch. 80)					
	711,072	165,000	2,505	-	<b>878,577</b>
<b>Sahtu Secretariat Inc.</b>					
Renewable Resources (Sch. 6)	26,677	237,547	-	197,710	<b>66,514</b>
Harvester Support (Sch. 37)	32,776	-	-	22,830	<b>9,946</b>
<b>Ducks Unlimited</b> - caribou study					
	25,177	-	-	-	<b>25,177</b>
<b>Department of Justice</b> - caribou law (Sch. 43)					
	-	195,914	-	26,592	<b>169,322</b>
<b>Indigenous Services Canada</b>					
Northern REACH Program (Sch. 30)	-	45,000	-	40,500	<b>4,500</b>
Youth Employment Strategic Skills					
(Sch. 31)	32,922	-	-	18,956	<b>13,966</b>
Traditional Knowledge (Sch. 71)	46,300	-	-	-	<b>46,300</b>
Professional and Institutional Development (Sch. 74)	54,783	-	-	-	<b>54,783</b>
<b>Canadian Heritage</b>					
Languages and Cultures (Sch. 48)	-	39,300	-	1,309	<b>37,991</b>
<b>Other</b>					
Imperial Oil (Sch. 28)	-	21,750	-	4,955	<b>16,795</b>
Sahtu Dene Council - Community					
Harvest (Sch. 39)	17,500	-	-	17,500	-
Log Cutting/Hauling (Sch. 44)	34,755	-	-	19,852	<b>14,903</b>
	<b>\$ 3,034,813</b>	<b>\$ 1,907,052</b>	<b>\$ 10,970</b>	<b>\$ 1,250,589</b>	<b>\$ 3,702,246</b>

**BEHDZI AHDA' FIRST NATION BAND**  
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<b>9. DUE TO RELATED PARTIES</b>	<b>2022</b>	<b>2021</b>
Behdzi Ahda' First Nation Economic Development Trust, non-interest bearing loan with no specific terms of repayment	\$ 237,489	\$ 237,489

The balance due to Behdzi Ahda' First Nation Economic Development Trust is unsecured and non-interest bearing with no specific terms of repayment. The transactions were recorded at the agreed upon value which management believes was also the fair market value.

Additional related party accounts and loans receivable on Schedule 75 and accounts payable on Schedule 76 are transactions in the normal course of business and are measured at the exchange amount being the amount of consideration established and agreed upon by the related parties.

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**10. CONTINGENCIES**

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

The First Nation has signed an unlimited guarantee for Berah Gutone Tue" Enterprises Ltd. for their revolving line of credit that has a maximum of \$100,000.

On March 11, 2020, the World Health Organization declared a global pandemic for the outbreak of a novel coronavirus identified as "COVID-19". In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing, and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal, provincial and territorial governments have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the First Nation and its operations in future periods.

**BEHDZI AHDA' FIRST NATION BAND**  
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<b>11. EXPENSES BY OBJECT</b>	<b>2022</b>	<b>2021</b>
Amortization	\$ 387,378	\$ 369,250
Bad debts	39,883	5,182
Bank charges and interest	4,154	3,304
Consulting and contract work	201,799	186,801
Equipment rental	324,371	213,006
Fuel, street lighting and utilities	451,813	454,521
Honoraria	15,200	17,309
Insurance	49,293	46,359
Office	16,971	13,513
Repairs and maintenance	9,174	9,460
Supplies and other	700,459	735,362
Professional fees	425,132	423,857
Transfers to other programs	18,218	21,325
Travel, meals and accommodation	587,532	173,009
Wages and benefits	1,164,163	1,049,685
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	\$ 4,395,540	\$ 3,721,943

**12. BUDGET INFORMATION**

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The budget information was prepared by management and approved by Chief and Council and has not been subject to an audit. There are not formal budgets prepared for all departments.