

## 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, 2023, 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, 2023, 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, 2023 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.



September 29, 2023  
Winnipeg, Manitoba

**CHARTERED PROFESSIONAL ACCOUNTANTS**

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Unrestricted cash and term deposits, note 3	\$ 2,229,008	\$ 2,884,517
Restricted cash and term deposits, note 4	4,142,892	3,627,246
Accounts and loans receivable, Schedule 74	2,953,190	2,553,775
Investment in Berah Gutone Tue" Enterprises Ltd., note 5	50	50
Due from related parties, note 6	750,000	750,000
	<b>10,075,140</b>	<b>9,815,588</b>
<b>LIABILITIES</b>		
Accounts payable and accrued, Schedule 75	\$ 335,645	\$ 630,251
Contributions repayable, note 7	32,516	22,289
Deferred revenue, note 8	4,217,892	3,702,246
Due to related parties, note 9	237,489	237,489
	<b>4,823,542</b>	<b>4,592,275</b>
<b>NET FINANCIAL ASSETS</b>	<b>\$ 5,251,598</b>	<b>\$ 5,223,313</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets, Schedule 76	\$ 8,634,266	\$ 8,319,704
Prepaid expenses and deposits	129,457	104,012
	<b>8,763,723</b>	<b>8,423,716</b>
<b>ACCUMULATED SURPLUS, Schedule 77</b>	<b>\$ 14,015,321</b>	<b>\$ 13,647,029</b>
<b>CONTINGENCIES, note 10</b>		

Approved on Behalf of the First Nation:



*Richard Kochon*

The accompanying notes are an integral part of the financial statements

**BEHDZI AHDA' FIRST NATION BAND**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	Budget Unaudited	2023 Actual	2022 Actual
<b>REVENUE</b>			
Grants - Government of the Northwest Territories			
Operating	\$ 2,134,897	\$ 2,118,563	\$ 1,980,855
Capital	1,086,223	721,874	651,150
Housing Corporation	12,000	12,000	25,649
Grants - Federal government			
Indigenous Services Canada	1,186,317	1,049,592	1,307,881
Food Banks Canada	77,842	37,242	48,068
Canadian Heritage	37,991	4,058	1,309
Canadian Northern Economic Development Agency	172,320	69,908	50,963
Agriculture and Agri-Food Canada	125,936	122,550	80,000
Department of Justice Canada	310,486	219,947	26,592
Contributions and donations	656,425	880,090	379,394
Imperial Oil	28,545	28,545	4,955
Interest	30,000	111,172	23,163
Management support	-	91,049	127,350
Rental	18,000	18,000	18,000
Sahtu Dene Council	76,110	76,110	73,610
Sahtu Health and Social Services Authority	16,185	10,303	10,092
Sahtu Renewable Resources Board	41,365	38,965	25,035
Sahtu Secretariat Inc.	547,467	566,632	204,296
<b>Total revenue (Schedule 1)</b>	<b>6,558,109</b>	<b>6,176,600</b>	<b>5,038,362</b>
<b>EXPENSES</b>			
Band government	1,116,839	1,558,772	1,338,909
Community services	824,601	1,097,069	525,457
Health services	732,356	439,007	469,960
Housing	12,000	12,000	66,525
Protective services	81,100	48,584	-
Recreation and cultural services	275,868	246,348	298,747
Regional planning and economic development	287,073	35,791	95,879
Resource conservation	592,886	539,579	240,374
Self government	970,133	812,946	616,492
Transportation services	420,936	520,341	412,596
Water and sewer services	457,000	497,871	330,601
<b>Total expenses (Schedule 1)</b>	<b>5,770,792</b>	<b>5,808,308</b>	<b>4,395,540</b>
<b>SURPLUS FOR THE YEAR</b>	<b>\$ 787,317</b>	<b>\$ 368,292</b>	<b>\$ 642,822</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, 2023**

	2023	2022
<b>ANNUAL SURPLUS</b>	<b>\$ 368,292</b>	<b>\$ 642,822</b>
Purchase of tangible capital assets	(785,921)	(778,520)
Amortization of tangible capital assets	471,359	387,378
Increase in prepaid expenses	(25,445)	(49,277)
	(340,007)	(440,419)
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>28,285</b>	<b>202,403</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>5,223,313</b>	<b>5,020,910</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 5,251,598</b>	<b>\$ 5,223,313</b>

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, 2023**

	2023	2022
<b>CASH FLOW FROM OPERATING TRANSACTIONS</b>		
Cash receipts from funding arrangements and customers	\$ 6,091,292	\$ 5,380,281
Cash paid to suppliers, employees and others	(5,654,031)	(3,735,120)
Interest received	111,172	23,163
Interest paid	(2,968)	(3,811)
	<b>545,465</b>	<b>1,664,513</b>
<b>CASH FLOW FROM CAPITAL TRANSACTIONS</b>		
Purchase of tangible capital assets	(785,921)	(778,520)
<b>INCREASE (DECREASE) IN CASH</b>	<b>(240,456)</b>	<b>885,993</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>2,751,684</b>	<b>1,865,691</b>
<b>CASH, END OF YEAR</b>	<b>\$ 2,511,228</b>	<b>\$ 2,751,684</b>
 <b>CASH IS COMPRISED OF:</b>		
Unrestricted cash, note 3	\$ 113,245	\$ 822,405
Restricted cash, note 4	2,397,983	1,929,279
	<b>\$ 2,511,228</b>	<b>\$ 2,751,684</b>

The accompanying notes are an integral part of the financial statements

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

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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, 2023**

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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, 2023**

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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, 2023**

**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>2023</b>	<b>2022</b>
Unrestricted cash and term deposits	\$ 2,229,008	\$ 2,884,517
Restricted cash and term deposits	4,142,892	3,627,246
Accounts and loans receivable	2,953,190	2,553,775
Due from related parties	750,000	750,000
	<b>\$ 10,075,090</b>	<b>\$ 9,815,538</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>2023</b>	<b>2022</b>
Balance, beginning of the year	\$ 35,164	\$ 20,164
Provision for receivable impairment	11,756	39,883
Amounts written off	-	(24,883)
Balance, end of the year	<b>\$ 46,920</b>	<b>\$ 35,164</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, 2023**

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>3. UNRESTRICTED CASH AND TERM DEPOSITS</b>	<b>2023</b>	<b>2022</b>
<b>General operations</b>		
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$1,235,085 principal plus \$25,947 accrued interest (2022 - interest at 0.40%, maturing June 14, 2022, \$1,223,220 principal plus \$3,888 accrued interest)	\$ 1,261,032	\$ 1,227,108
<b>Cash</b>	<b>(1,795,434)</b>	<b>(992,480)</b>
	<b>(534,402)</b>	<b>234,628</b>
<b>Colville Lake Development Fund</b>		
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$54,657 principal plus \$1,148 accrued interest (2022 - interest at 0.80% and maturing March 15, 2023, \$54,372 principal plus \$19 accrued interest)	55,805	54,391
<b>Water and sewer</b>		
Guaranteed investment certificate earning interest at 2.40% and maturing June 10, 2023. The balance includes \$780,752 principal plus \$18,174 accrued interest (2022 - interest at 0.60%, maturing April 9, 2022, \$775,305 principal plus \$5,308 accrued interest)	798,926	780,613
<b>Cash</b>	<b>1,908,679</b>	<b>1,814,885</b>
	<b>2,763,410</b>	<b>2,649,889</b>
	<b>\$ 2,229,008</b>	<b>\$ 2,884,517</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, 2023**

<b>4. RESTRICTED CASH AND TERM DEPOSITS</b>	<b>2023</b>	<b>2022</b>
<b>CPI Funding</b>		
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$288,165 principal plus \$6,054 accrued interest (2022 - interest at 0.40%, maturing June 14, 2022, \$285,397 principal plus \$907 accrued interest)	\$ 294,219	\$ 286,304
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$1,050,695 principal plus \$22,073 accrued interest (2022 - interest at 0.40%, maturing June 14, 2022, \$1,040,601 principal plus \$3,307 accrued interest)	1,072,768	1,043,908
Cash	849,281	735,307
Holdback receivable	(75,000)	(75,000)
Required balance	2,141,268	1,990,519
<b>Federal Gas Tax Funding</b>		
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$2,403 principal plus \$50 accrued interest (2022 - interest at 0.40%, maturing June 14, 2022, \$2,379 principal plus \$8 accrued interest)	2,453	2,387
Guaranteed investment certificate earning interest at 5.40% and maturing November 9, 2023. The balance includes \$367,743 principal plus \$7,726 accrued interest (2022 - interest at 0.40%, maturing June 14, 2022, \$364,210 principal plus \$1,158 accrued interest)	375,469	365,368
Cash	596,435	510,822
Required balance	974,357	878,577
<b>Other</b>		
Community Capacity Building Fund - cash	43,191	43,191
GNWT - Employment Officer - cash	30,000	30,000
Sahtu Renewable Resources Board - cash	28,297	43,262
MACA - New sewage lagoon - cash	69,872	69,872
GNWT Small Community Employment Support - cash	-	44,300
GNWT UNDRIP - cash	20,462	-
GNWT Capital grant - cash	160,527	57,420
Canadian Northern Economic Development Agency - cash	192,985	-
Sahtu Secretariat Inc. - cash	21,935	76,460
Ducks Unlimited - cash	25,177	25,177
Department of Justice Canada - cash	90,539	169,322
Supportive Home Services - cash	19,605	9,908
ISC - cash	235,241	119,549
Community Log Cutting/Hauling - cash	14,903	14,903
Imperial Oil - cash	-	16,795
Food Banks Canada - cash	40,600	-
Canadian Heritage - cash	33,933	37,991
	<b>\$ 4,142,892</b>	<b>\$ 3,627,246</b>

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**Restricted Cash and Term Deposits - continued**

At year end, the actual CPI bank account and GIC has a combined balance of \$2,133,824 resulting in a deficiency of \$7,444 (2022 - surplus of \$364,187). The actual Federal Gas Tax funding bank account and GIC has a combined balance of \$1,062,347 resulting in a surplus of \$87,990 (2022 - \$88,000). 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>6. DUE FROM RELATED PARTIES</b>	<b>2023</b>	<b>2022</b>
Behdzi Ahda' First Nation Economic Development Trust, non-interest bearing loan with no specific terms of repayment.	<b>\$ 750,000</b>	<b>\$ 750,000</b>

<b>7. CONTRIBUTIONS REPAYABLE</b>	<b>2023</b>	<b>2022</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
Indigenous Justice	<b>32,516</b>	<b>-</b>
	<b>\$ 32,516</b>	<b>\$ 22,289</b>

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**8. DEFERRED REVENUE**

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:

	Balance, Beginning of Year	Funding Received or Receivable	Interest Earned	Funding Expended	Balance, End of Year
<b>Government of the Northwest Territories</b>					
Community Capacity Building Fund Plan \$	43,191	\$ -	\$ -	\$ -	\$ 43,191
MACA - Sewage Lagoon	69,872	-	-	-	69,872
Small Community Employment Support Program (Sch. 26)	44,300	58,000	-	102,300	-
Capital grant (Sch. 29)	57,420	204,803	-	101,696	160,527
GNWT UNDRIP (Sch. 57)	-	52,500	-	32,038	20,462
Employment Officer (Sch. 71)	30,000	-	-	-	30,000
Community Public Infrastructure Funding (Sch. 78)	2,065,519	675,000	37,581	561,832	2,216,268
<b>Sahtu Health and Social Services</b>					
Supportive Living Assistance (Sch. 23)	9,908	20,000	-	10,303	19,605
<b>Sahtu Renewable Resources Board (Sch. 37)</b>	43,262	-	-	14,965	28,297
<b>Federal Gas Tax Funding (Sch. 79)</b>	878,577	85,000	10,780	-	974,357
<b>Sahtu Secretariat Inc.</b>					
Renewable Resources (Sch. 6)	66,514	241,107	-	295,632	11,989
Harvester Support (Sch. 61)	9,946	-	-	-	9,946
<b>Ducks Unlimited - caribou study</b>	25,177	-	-	-	25,177
<b>Department of Justice - caribou law (Sch. 36)</b>	169,322	141,164	-	219,947	90,539
<b>Indigenous Services Canada</b>					
Northern REACH Program (Sch. 69)	4,500	-	-	-	4,500
Youth Employment Strategic Skills (Sch. 30)	13,966	-	-	13,966	-
Traditional Knowledge (Sch. 72)	46,300	-	-	-	46,300
Custom Election Code (Sch. 44)	-	128,380	-	2,167	126,213
Professional and Institutional Development (Sch. 73)	54,783	-	-	-	54,783
UNDRIP - Self-Government (Sch. 56)	-	88,500	-	85,055	3,445
<b>Canadian Heritage</b>					
Languages and Cultures (Sch. 39)	37,991	-	-	4,058	33,933
<b>Other</b>					
Imperial Oil (Sch. 28)	16,795	11,750	-	28,545	-
Cannor - Portable Modular Units Design	-	65,000	-	-	65,000
Cannor - Community Revitalization phase 2 (Sch. 40)	-	47,037	-	35,653	11,384
Northern Isolated Communities Initiative (Sch. 33)	-	263,151	-	146,550	116,601
Food Banks Canada (Sch. 34)	-	82,442	-	41,842	40,600
Log Cutting/Hauling (Sch. 58)	14,903	-	-	-	14,903
	\$ 3,702,246	\$ 2,163,834	\$ 48,361	\$ 1,696,549	\$ 4,217,892

**BEHDZI AHDA' FIRST NATION BAND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

<b>9. DUE TO RELATED PARTIES</b>	<b>2023</b>	<b>2022</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 74 and accounts payable on Schedule 75 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.

**10. CONTINGENCIES**

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.

<b>11. EXPENSES BY OBJECT</b>	<b>2023</b>	<b>2022</b>
Amortization	\$ 471,359	\$ 387,378
Bad debts	11,756	39,883
Bank charges and interest	6,171	4,154
Consulting and contract work	318,295	201,799
Equipment rental	334,911	324,371
Fuel, street lighting and utilities	579,653	451,813
Honoraria	41,175	15,200
Insurance	69,563	49,293
Office	43,471	16,971
Repairs and maintenance	56,998	9,174
Supplies and other	991,689	700,459
Professional fees	619,018	425,132
Transfers to other programs	65,597	18,218
Travel, meals and accommodation	881,090	587,532
Wages and benefits	1,317,562	1,164,163
	<b>\$ 5,808,308</b>	<b>\$ 4,395,540</b>

**12. BUDGET INFORMATION**

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.