

Financial Statements of
WEST POINT FIRST NATION

March 31, 2015

WEST POINT FIRST NATION
Financial Statements
Year ended March 31, 2015

| | |
|-----------------------------------------------------------------------|-------|
| Management's Report | 1 |
| Auditors' Report | 2 |
| Statement of Financial Position | 3 |
| Statement of Operations and Changes in Accumulated Deficit | 4 |
| Statement of Changes in Net Financial Debt | 5 |
| Statement of Cash Flow | 6 |
| Notes to Financial Statements | 7 - 9 |
| Schedule 1 - Summary of Revenue and Expenditure | 10 |
| Schedule 2 - Deh Cho First Nation Contracts | 11 |
| Schedule 3 - Aboriginal Affairs and Northern Development Canada | 12 |
| Schedule 4 - Government of Northwest Territories Contracts | 13 |
| Schedule 5 - Remuneration and expenses - (Chiefs and Council) | 14 |
| Schedule 6 - Remuneration and expenses - (Unelected Senior Officials) | 15 |

MANAGEMENT'S REPORT

The management of West Point First Nation is responsible for the integrity of the accompanying financial statements. The financial statements have been prepared by management in accordance with the accounting principles disclosed in the attached notes. The preparation of the financial statements necessarily includes some amounts which are based on the best estimates and judgments of management.

To assist meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, in order that the integrity of the financial statements is maintained.

The financial statements have been audited by the independent firm of Ashton Chartered Accountants. Their report to the members of West Point First Nation, stating the scope of their examination and opinion on the financial statements follows.

Chief
Date: _____

Manager
Date: _____

INDEPENDENT AUDITORS REPORT

To the Members of Council:

We have audited the financial statements of West Point First Nation, which comprise the statement of financial position as at March 31, 2015, and the statement of operations, changes in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of West Point First Nation as at March 31, 2015 and the results of its operations, change in net financial debt and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
September 1, 2015

WEST POINT FIRST NATION
Statement of Financial Position
As at March 31, 2015

| | 2015 | 2014 |
|------------------------------------------|-------------------|--------------------|
| Financial Assets | | |
| Accounts receivable, Note 4 | \$ 47,238 | \$ 34,516 |
| <u>GST recoverable</u> | 756 | 10,577 |
| | <u>47,994</u> | <u>45,093</u> |
| Liabilities | | |
| Bank indebtedness | 9,626 | 22,691 |
| Accounts payable and accrued liabilities | 19,213 | 21,365 |
| Vacation payable | 1,806 | 1,010 |
| Deferred revenue, Note 6 | 20,727 | 23,249 |
| | <u>51,372</u> | <u>68,315</u> |
| Net Financial Debt | \$ (3,378) | \$ (23,222) |
| Non-Financial Assets | | |
| Prepaid expenses | \$ 1,377 | \$ 16,102 |
| | <u>\$ 1,377</u> | <u>\$ 16,102</u> |
| Accumulated Deficit | \$ (2,001) | \$ (7,120) |

Approved by the Council

S. Reed _____ Council Member
Brielle Battiste _____ Council Member

WEST POINT FIRST NATION

Statement of Operations and Changes in Accumulated Deficit For the year ended March 31, 2015

| | 2015 | 2014 |
|--------------------------------------------------------|-------------------|-------------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | \$ 102,360 | \$ 126,881 |
| Deh Cho First Nations | 14,114 | 56,049 |
| Government of Northwest Territories | 15,285 | 18,205 |
| Other revenues and recoveries | 23,626 | 20,619 |
| Deferred revenue, opening, Schedule 1 | 23,249 | 2,242 |
| Deferred revenue, closing, Schedule 1 | (20,727) | (23,249) |
| Contributions repayable | - | (1,587) |
| | 157,907 | 199,160 |
| Expenses | | |
| Sub-contractors | - | 2,894 |
| Salaries and wages | 56,043 | 58,948 |
| Honorariums | 20,968 | 32,650 |
| Supplies | 10,907 | 11,402 |
| Cultural events | 6,083 | 10,616 |
| Professional fees | 29,551 | 14,171 |
| Utilities | 7,027 | 15,935 |
| Office | 7,770 | 1,885 |
| Repairs and maintenance | 50 | 1,867 |
| Administration | 5,949 | 6,353 |
| Travel | 1,046 | 9,763 |
| Insurance | 4,718 | 5,247 |
| Interest and bank charges | 1,233 | 2,563 |
| Training | 1,443 | 3,035 |
| Equipment | - | 11,574 |
| Bad debt | - | 5,419 |
| | 152,788 | 194,322 |
| Excess of revenue over expenditure for the year | \$ 5,119 | \$ 4,838 |
| Accumulated Deficit, beginning of year | (7,120) | (11,958) |
| Accumulated Deficit, end of year | \$ (2,001) | \$ (7,120) |

WEST POINT FIRST NATION
Statement of Changes in Net Financial Debt
For the year ended March 31, 2015

| | 2015 | 2014 |
|-------------------------------------------------|-------------------|-------------|
| Excess of revenue over expenditure for the year | \$ 5,119 | \$ 4,838 |
| Change in prepaid expenses | 14,725 | (13,387) |
| Increase (decrease) in net financial assets | 19,844 | (8,549) |
| Net financial debt, beginning of year | (23,222) | (14,673) |
| Net financial debt, end of year | \$ (3,378) | \$ (23,222) |

WEST POINT FIRST NATION
Statement of Cash Flow
For the year ended March 31, 2015

| | 2015 | 2014 |
|-------------------------------------------------|-------------------|--------------------|
| Operating Activities | | |
| Excess of revenue over expenditure for the year | \$ 5,119 | \$ 4,838 |
| Changes in non-cash working capital balances: | | |
| Accounts receivable | (12,722) | (21,564) |
| Prepaid expenses | 14,725 | (13,387) |
| Accounts payable and accrued liabilities | (2,152) | (13,102) |
| Payroll taxes payable | 796 | 1,010 |
| Deferred revenue | (2,522) | 21,007 |
| GST recoverable | 9,821 | 6,353 |
| | 13,065 | (14,845) |
| Increase (decrease) in cash during the year | 13,065 | (14,845) |
| Indebtedness, beginning of year | (22,691) | (7,846) |
| Indebtedness, end of year | \$ (9,626) | \$ (22,691) |

WEST POINT FIRST NATION
Notes to Financial Statements
For the year ended March 31, 2015

Note 1. Nature of operations

West Point First Nation (the "organization") is recognized pursuant to the Indian Act as an Indian Band and as such is a non-taxable entity in the Northwest Territories.

The purpose of the West Point First Nation is the following: uphold and protect the treaty and aboriginal rights of members; to ensure that members benefit from effective programs and services in the areas of education, housing, employment, economic development, recreation, health, the environment and other essential areas; to strengthen First Nation governance within the West Point First Nation traditional land base.

Note 2. Summary of significant accounting policies

Cash and cash equivalents

Cash includes cash and investments with maturities at the date of purchase of less than ninety days.

Revenue recognition

West Point First Nation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Property and equipment

Property and equipment are expensed in the year of acquisition. Major categories of tangible capital assets and estimated cost of assets in those categories is disclosed in the notes. The amount of capital assets expensed in the year is disclosed in Note 5.

Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

WEST POINT FIRST NATION
Notes to Financial Statements
For the year ended March 31, 2015

Note 2. Summary of significant accounting policies (continued)

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. Financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

Note 3. Financial instruments

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

Fair Value

The organization's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

Note 4. Accounts receivable

| | 2015 | 2014 |
|---------------------|------------------|------------------|
| Accounts receivable | \$ 46,697 | \$ 34,516 |
| Payroll advances | 541 | - |
| | \$ 47,238 | \$ 34,516 |

WEST POINT FIRST NATION
Notes to Financial Statements
For the year ended March 31, 2015

Note 5. Capital assets

The estimated cost of capital assets is as follows:

| | 2015 | 2014 |
|-------------------------|-------------------|-------------------|
| New band office | \$ 294,360 | \$ 294,360 |
| Building | 285,680 | 285,680 |
| Furniture and equipment | 84,594 | 84,594 |
| Computer equipment | 16,087 | 16,087 |
| | \$ 680,721 | \$ 680,721 |

There were no capital assets expensed in the year.

Note 6. Deferred revenue

| | 2015 | 2014 |
|----------------------------------------|------------------|------------------|
| Deh Cho First Nations | \$ 2,242 | \$ 2,242 |
| IRDA - Resource Royalties | - | 14,726 |
| Hay River Metis Government Council | 6,281 | 6,281 |
| DIAND - Community Economic Development | 12,204 | - |
| | \$ 20,727 | \$ 23,249 |

Note 7. Economic dependence

The West Point First Nation receives base funding plus specific program funding pursuant to funding arrangements with Aboriginal Affairs and Northern Development Canada, the Government of the Northwest Territories and Deh Cho First Nations. It may therefore be considered economically dependent upon government-source funding for its core operating activities.

WEST POINT FIRST NATION

Schedule 1 - Summary of Revenue and Expenditure

For the year ended March 31, 2015

| | DFN Schedule 2 | AANDC Schedule 3 | GNWT Schedule 4 | Total |
|----------------------------------------------------|-------------------|---------------------|--------------------|------------|
| REVENUE | | | | |
| Aboriginal Affairs and Northern Development Canada | \$ - | \$ 102,360 | \$ - | \$ 102,360 |
| Deh Cho First Nations | 14,114 | - | - | 14,114 |
| Government of Northwest Territories | - | - | 15,285 | 15,285 |
| Other revenues and recoveries | 9,107 | 519 | 14,000 | 23,626 |
| Deferred revenue, opening | 16,968 | 6,281 | - | 23,249 |
| Deferred revenue, closing | (2,242) | (18,485) | - | (20,727) |
| Contributions repayable | - | - | - | - |
| | 37,947 | 90,675 | 29,285 | 157,907 |
| EXPENDITURE | | | | |
| Salaries and wages | 11,189 | 31,732 | 13,122 | 56,043 |
| Honorariums | - | 20,968 | - | 20,968 |
| Professional fees | 17,971 | 11,580 | - | 29,551 |
| Utilities | - | 5,112 | 1,915 | 7,027 |
| Office | 1,071 | 6,699 | - | 7,770 |
| Administration | 331 | 2,813 | 2,805 | 5,949 |
| Travel | 1,046 | - | - | 1,046 |
| Repairs and maintenance | 50 | - | - | 50 |
| Training | - | 488 | 955 | 1,443 |
| Interest and bank charges | 380 | 853 | - | 1,233 |
| Supplies | 3,890 | 2,262 | 4,755 | 10,907 |
| Insurance | - | 4,718 | - | 4,718 |
| Cultural events | - | 350 | 5,733 | 6,083 |
| | 35,928 | 87,575 | 29,285 | 152,788 |
| Excess revenue | \$ 2,019 | \$ 3,100 | \$ - | \$ 5,119 |

WEST POINT FIRST NATION

Schedule 2 - Deh Cho First Nation Contracts
For the year ended March 31, 2015

| | WPFN General Fund | DCFN Fishing | DCFN Language | DCFN IRDA | Total |
|-------------------------------|----------------------|-----------------|------------------|--------------|-----------|
| REVENUE | | | | | |
| Deh Cho First Nations | \$ 2,310 | \$ 8,600 | \$ 3,204 | \$ - | \$ 14,114 |
| Other revenues and recoveries | 9,107 | - | - | - | 9,107 |
| Contributions repayable | - | - | - | - | - |
| Deferred revenue, opening | - | 2,242 | - | 14,726 | 16,968 |
| Deferred revenue, closing | - | (2,242) | - | - | (2,242) |
| | 11,417 | 8,600 | 3,204 | 14,726 | 37,947 |
| EXPENDITURE | | | | | |
| Salaries and wages | 2,600 | 8,589 | - | - | 11,189 |
| Professional fees | 500 | - | 2,745 | 14,726 | 17,971 |
| Office | 1,071 | - | - | - | 1,071 |
| Administration | - | 11 | 320 | - | 331 |
| Travel | 1,046 | - | - | - | 1,046 |
| Repairs and maintenance | 50 | - | - | - | 50 |
| Interest and bank charges | 380 | - | - | - | 380 |
| Supplies | 3,751 | - | 139 | - | 3,890 |
| | 9,398 | 8,600 | 3,204 | 14,726 | 35,928 |
| Excess revenue | \$ 2,019 | \$ - | \$ - | \$ - | \$ 2,019 |

WEST POINT FIRST NATION

Schedule 3 - Aboriginal Affairs and Northern Development Canada
For the year ended March 31, 2015

| | Band Support | Community Economic Development | Skills Link Program | Total |
|----------------------------------------------------|--------------|--------------------------------|---------------------|------------|
| REVENUE | | | | |
| Aboriginal Affairs and Northern Development Canada | \$ 50,238 | \$ 25,000 | \$ 27,122 | \$ 102,360 |
| Other revenue and recoveries | 519 | - | - | 519 |
| Deferred revenue, opening | - | 6,281 | - | 6,281 |
| Deferred revenue, closing | - | (18,485) | - | (18,485) |
| | 50,757 | 12,796 | 27,122 | 90,675 |
| EXPENDITURE | | | | |
| Salaries and wages | 4,806 | 2,137 | 24,789 | 31,732 |
| Administration | - | 1,163 | 1,650 | 2,813 |
| Honorariums | 19,368 | 1,600 | - | 20,968 |
| Professional fees | 7,619 | 3,961 | - | 11,580 |
| Utilities | 3,439 | 1,673 | - | 5,112 |
| Office | 6,506 | - | 193 | 6,699 |
| Travel | - | - | - | - |
| Repairs and maintenance | - | - | - | - |
| Training | - | - | 488 | 488 |
| Interest and bank charges | 853 | - | - | 853 |
| Supplies | - | 2,262 | - | 2,262 |
| Insurance | 4,718 | - | - | 4,718 |
| Cultural events | 350 | - | - | 350 |
| | 47,659 | 12,796 | 27,120 | 87,575 |
| Excess revenue | \$ 3,098 | \$ - | \$ 2 | \$ 3,100 |

WEST POINT FIRST NATION

Schedule 4 - Government of Northwest Territories Contracts
For the year ended March 31, 2015

| | Brighter Futures | Youth Centre Initiative | Aboriginal Day | Total |
|-------------------------------------|---------------------|----------------------------|-------------------|-----------|
| REVENUE | | | | |
| Government of Northwest Territories | \$ - | \$ 14,285 | \$ 1,000 | \$ 15,285 |
| Hay River Metis Council | 14,000 | - | - | 14,000 |
| | 14,000 | 14,285 | 1,000 | 29,285 |
| EXPENDITURE | | | | |
| Salaries and wages | 4,174 | 8,948 | - | 13,122 |
| Utilities | - | 1,915 | - | 1,915 |
| Administration | 1,382 | 1,423 | - | 2,805 |
| Training | - | 955 | - | 955 |
| Supplies | 3,269 | 1,044 | 442 | 4,755 |
| Cultural events | 5,175 | - | 558 | 5,733 |
| | 14,000 | 14,285 | 1,000 | 29,285 |
| Excess revenue | \$ - | \$ - | \$ - | \$ - |

WEST POINT FIRST NATION**Schedule 5 - Remuneration and expenses - (Chiefs and Council)****For the year ended March 31, 2015**

| Name of Individual | Position | # of Months | Remuneration | Expenses | Total |
|--------------------|----------|-------------|--------------|----------|-----------|
| Cayen, Courtney | Chief | 12 | \$ 14,650 | \$ - | \$ 14,650 |
| Buckley, Shannon | Council | 12 | 4,800 | - | 4,800 |
| Cayen, Rosaline | Council | 12 | 3,600 | - | 3,600 |
| Frise, Sonia | Council | 12 | 5,934 | - | 5,934 |
| | | | \$ 28,984 | \$ - | \$ 28,984 |

WEST POINT FIRST NATION**Schedule 6 - Remuneration and expenses - (Unelected Senior Officials)****For the year ended March 31, 2015**

| Name of Individual | Position | # of Months | Salary | Other Remuneration | Other Remuneration | Expenses Reimbursed as part of |
|--------------------|----------|-------------|-----------|--------------------|--------------------|--------------------------------|
| Cayen, Wendy | Admin | 12 | \$ 11,669 | \$ - | \$ - | \$ 11,669 |
| | | | \$ 11,669 | \$ - | \$ - | \$ 11,669 |