



DEH CHO FIRST NATIONS

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Management's Responsibility for Financial Reporting

10 June 2005

To the Members
 DEH CHO FIRST NATIONS
 Deh CHo Region, Northwest Territories

The accompanying financial statements were prepared by management in conformity with generally accepted accounting principles appropriate in the circumstances.

The DEH CHO FIRST NATIONS maintains internal financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis and that the First Nation acts in accordance with the laws of the Northwest Territories and Canada. The First Nation's management recognizes its responsibility for conducting the First Nation's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a First Nation.

The external auditor annually provides an independent, objective audit for the purposes of expressing an opinion on the financial statements. He also considers whether transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.

Alison de Pelham
 Executive Director
 DEH CHO FIRST NATIONS

Government of Denendeh

Deh Cho First Nations



Robert
Stewart
Chartered
Accountant/
Management
Consultants

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AUDITOR'S REPORT

To the Members
DEH CHO FIRST NATIONS
Deh Cho Region, Northwest Territories

I have examined the Balance Sheet of the DEH CHO FIRST NATIONS as at March 31, 2005, the Statement of Revenue, Expenditure and Surplus and the Statement of Cash Flow for the year then ended. These financial statements are the responsibility of the First Nations' management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards in Canada. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2005, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles in Canada.



CHARTERED ACCOUNTANT

June 10, 2005
Yellowknife, N.W.T



Deh Cho First Nations

DEH CHO FIRST NATIONS

BALANCE SHEET

MARCH 31, 2005

ASSETS

	<u>2005</u>	<u>2004</u>
CURRENT		
Cash	\$ 548,147	\$ 141,150
Accounts receivable (Note 3)	1,336,643	792,323
Prepaid expenses	<u>10,000</u>	<u>10,000</u>
	1,894,790	943,473
CAPITAL ASSETS (Notes 2 and 4)		
	<u>1</u>	<u>1</u>
	<u>\$1,894,791</u>	<u>\$ 943,474</u>

LIABILITIES


CURRENT		
Accounts payable and accrued liabilities	\$ 890,129	\$ 260,870
Deferred Revenue (Note 5)	<u>418,357</u>	<u>192,595</u>
	<u>1,308,486</u>	<u>453,465</u>

MEMBERS' EQUITY

SURPLUS	<u>586,305</u>	<u>490,009</u>
	<u>\$1,894,791</u>	<u>\$ 943,474</u>

APPROVED:


 Grand Chief


 Executive Director


DEH CHO FIRST NATIONS
STATEMENT OF SURPLUS
FOR THE YEAR ENDED MARCH 31, 2005

	<u>2005</u>	<u>2004</u>
GENERAL OPERATING:		
Surplus, Opening	\$490,009	\$586,371
Excess revenue (expenditures) for the year	<u>96,296</u>	<u>(96,362)</u>
Surplus, Closing	<u>\$586,305</u>	<u>\$490,009</u>



DEH CHO FIRST NATIONS
STATEMENT OF CONSOLIDATED REVENUE AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2005

	<u>2005</u>	<u>2004</u> (Note 5)
REVENUE		
Indian and Northern Affairs Canada	\$5,198,411	\$3,729,978
Human Resources Development Canada	1,428,314	1,466,353
Government of the NWT	335,529	363,104
Other revenue	1,176,556	209,914
Travel and expense recoveries	100,326	68,594
Transfer from (to) deferred revenue	(371,956)	21,837
	<u>7,867,180</u>	<u>5,859,780</u>
EXPENDITURES		
Transfers to First Nations (Note 5)	3,098,672	1,150,712
AHRDA costs (Note 5 & Schedule 5)	-	1,513,978
Wages, benefits and other staff costs	1,150,472	815,839
Professional fees & subcontractors	1,620,995	951,267
Travel	894,191	716,271
Office expenses	248,132	176,393
Cash grants	195,875	175,200
Transfers between programs	165,006	23,500
Equipment purchases	126,090	71,498
Office supplies	92,881	80,496
Telephone	58,858	40,084
Sound and translation	46,647	59,859
Deh Cho Economic Corporation	37,000	110,000
Repairs and maintenance	33,738	36,382
Admin Fees	2,327	34,663
	<u>7,770,884</u>	<u>5,956,142</u>
EXCESS REVENUE (EXPENDITURES)	<u>\$ 96,296</u>	<u>\$ (96,362)</u>



DEH CHO FIRST NATIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005

	2005	2004
OPERATING ACTIVITIES		
Excess of revenue (expenditures) for the year	\$ 96,296	\$ (96,362)
Cash provided by (used for) changes in non-cash working capital:		
Accounts receivable	(551,164)	(393,263)
Prepaid expenses	-	58,060
Accounts payable and accrued liabilities	618,291	33,925
Deferred revenue	<u>243,574</u>	<u>(21,508)</u>
INCREASE (DECREASE) IN CASH	406,997	(419,148)
CASH AND EQUIVALENTS, OPENING	141,150	560,298
CASH AND EQUIVALENTS, CLOSING	<u>\$548,147</u>	<u>\$141,150</u>



DEH CHO FIRST NATIONS
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2005

NOTE 1 NATURE OF ORGANIZATION

Deh Cho First Nations is the government of aboriginal peoples in the traditional Deh Cho territory of the Northwest Territories. The membership consists of 14 member community governments (11 First Nations and 3 Metis Locals). Deh Cho First Nations is registered as a not-for-profit society under the Societies Act of the Northwest Territories. The First Nations Office administers the affairs of the Deh Cho First Nations on behalf of its Members. At present, the First Nations Office is economically dependent on the Government of Canada.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

- a) General
For purposes of its financial reporting, by virtue of the fact that the First Nations is a government, it applies the accounting principals for local governments as set out in the CICA Public Sector Accounting Handbook (PSA Handbook). It should be noted that recently there has been much discussion and research on the appropriate accounting policies for First Nations, and these principals are evolving.
- b) Measurement Uncertainty
The preparation of financial statements in accordance with stated accounting policies requires the First Nations to make estimates and assumptions that affect the amount of assets, liabilities, revenues and expenditures reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these statements, the First Nations believes the estimates and assumptions to be reasonable. Some of the more significant management estimates based on past experience relate to allowance for doubtful accounts, the accounting for capital assets, investments and deferred revenue valuation.
- c) Inventory
Inventory of materials and general supplies is considered a cost of operations and is not recorded on the balance sheet.



DEH CHO FIRST NATIONS
 NOTES TO THE FINANCIAL STATEMENTS
 MARCH 31, 2005

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (cont.)

- d) Capital Assets
 Capital Assets are recorded as expenditures in the year of acquisition and shown on the balance sheet at a nominal amount. Insured values at March 31, 2005 are as follows:

Office building	\$ 696,000
Office contents	<u>204,000</u>
	<u>\$ 900,000</u>

- e) Funding Agency Contract Surplus (Deficit)
 According to contracts or contribution agreements with funding agencies, primarily DIAND and Human Resources Development Canada, any contract surplus is to be recovered by the funding agency and any contract deficit is to be retained by the Deh Cho First Nations. Financial statements of the First Nations have not been reviewed by the funding agencies when these statements were prepared. Accordingly, any adjustments as a result of the review will be accounted for in the new year.
- f) Delivery Agency Contract Surplus (Deficit)
 According to contracts or contribution agreements with program delivery agencies, primarily First Nations located in the Deh Cho communities, any contract surplus is to be recovered by the Deh Cho First Nations and any contract deficit is to be retained by the respective First Nation. Financial statements of the various delivery agents have not been reviewed by the Deh Cho First Nations when these statements were prepared. Accordingly, any adjustments as a result of the review will similarly be accounted for in the new year.
- g) Financial Instruments
 The First Nations' financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and deferred revenues. It is management's opinion that the First Nations is not exposed to significant interest, or credit risks arising from these instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying value.



DEH CHO FIRST NATIONS

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2005

NOTE 3 ACCOUNTS RECEIVABLE

	2005	2004
Indian and Northern Affairs Canada	\$ 656,473	\$ 473,820
Human Resources Development Canada	129,660	146,628
Aboriginal Futures	211,399	-
Imperial Oil	116,160	-
Canadian Boreal Initiative	110,100	-
Canadian Environmental Initiative	58,157	-
Natural Resources Canada	31,511	-
Dene Nation	-	59,097
GNWT - RWED	-	56,400
Other	<u>23,183</u>	<u>36,378</u>
	<u>1,336,643</u>	<u>772,323</u>
Goods & Services Tax	82,883	76,823
Less Allowance for Doubtful Accounts - GST	<u>(82,883)</u>	<u>(56,823)</u>
	<u>-</u>	<u>20,000</u>
	<u>\$1,336,643</u>	<u>\$792,323</u>



DEH CHO FIRST NATIONS
 NOTES TO THE FINANCIAL STATEMENTS
 MARCH 31, 2005

NOTE 4 DEFERRED REVENUE

Deferred revenue is comprised of amounts received but not yet earned as follows:

	2005	2004
Permit & Regulations	\$ -	\$ 60,559
Training Plan	-	46,672
IMA Traditional Mapping #8	25,954	30,954
IRMA #6 (JMRFN)	-	968
Winter RAN	-	19,495
Self Government	-	14,924
Contaminants	6,361	-
IRDA Resource Royalties	12,388	4,692
ASEP	227,381	-
Negotiations Preparedness 800K #4	-	1,642
Deh Cho Process Claims	-	1,481
Gathering Strength	-	970
Oil & Gas Project	-	604
Strategy	-	103
Total DIAND	<u>272,084</u>	<u>183,064</u>
Protected Area Strategy/PKFN	125,390	-
AAROM	5,366	-
HRDC CRF	10,969	-
HRDC EI	7,316	-
CIMP Water Project	1,055	-
Horn Plateau	2,609	-
CARC	1,858	-
Energy Savings	-	5,742
Language Evaluation	-	3,789
Aboriginal Summit	<u>2,680</u>	<u>-</u>
	<u>\$418,357</u>	<u>\$192,595</u>

NOTE 5 COMPARATIVE AMOUNTS

The format of the Statement of Consolidated Revenue and Expenditures of the current year has been changed with respect to the allocation of AHRDA Costs by type of expenditure. The comparative amounts for expenditures could not be restated.



DEH CHO FIRST NATIONS

SCHEDULE 1

**SCHEDULE OF CONSOLIDATED REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2006**

	Code (Schedule 2)	DIAND #1 (Schedule 3)	DIAND #2 (Schedule 4)	AHRDA (Schedule 5)	Other (Schedule 6)	Total
REVENUES:						
4020 DIAND	\$900,911	\$2,450,062	\$1,847,419	\$0	\$0	\$5,198,411
4021 DIAND - Other Revenues	0	331	0	0	0	331
4030 GNWT	330	10,313	27,000	0	288,886	335,529
4040 HRDC	0	8,000	8,000	1,412,314	0	1,428,314
4050 Other	105,644	431,869	221,600	334	434,732	1,194,378
4110 Wage Recoveries	2,520	-12,873	-7,800	0	0	-18,153
4120 Travel Recoveries	50,399	6,632	39	686	37	57,774
4130 Recoveries	26,518	16,210	75	-250	0	42,552
4250 Deferred Revenue Transfers	0	-225,619	-7,783	-7,316	-131,238	-371,956
Total revenues	1,086,522	2,693,944	2,088,550	1,405,748	592,416	7,867,180
EXPENDITURES:						
5100 Liddi Koe First Nation	0	132,592	163,904	321,062	51,191	668,749
5120 Deh Gah Gobe Dene Council	0	86,241	82,377	259,306	52,186	480,111
5130 Katiodeche First Nation	0	55,156	52,402	147,074	23,307	277,939
5140 Pehtzeh Ki First Nation	0	54,563	86,979	75,002	77,914	294,458
5200 Keagee Tu First Nation	0	64,899	72,110	29,561	7,112	173,683
5210 JMR First Nation	0	39,560	56,018	31,527	9,225	136,360
5220 Nahanni Butte Dene Council	0	41,137	17,018	41,517	14,225	113,898
5225 Sambaa Ke First Nation	0	61,591	68,564	37,408	8,521	176,084
5240 West Point First Nation	0	39,592	60,188	42,899	6,408	148,888
5260 Ft Providence Metis	0	37,383	83,364	0	0	120,748
5290 Ft Simpson Metis Local	0	37,626	95,825	11,277	0	144,728
5300 Acho Dene Koe	0	82,413	83,364	149,607	28,096	343,480
5410 Wages & Benefits	476,825	433,759	98,371	96,821	2,170	1,107,946
5450 Casual Wages	3,989	5,553	9,574	5,257	0	24,373
5610 Accounting & Legal	25,222	40,856	68,271	5,026	0	139,373
5615 Advertising & Promotions	6,911	18,060	3,677	7,200	827	35,664
5616 Equipment Rental	0	902	0	0	0	902
5620 Bad Debts	-597	0	0	0	0	-597
5625 Cash Grants	130,825	58,475	2,300	0	4,275	195,875
5630 GST Unrecovered	-1	0	0	0	0	-1
5634 Professional Services	0	112,772	6,063	0	0	118,826
5635 Subcontractors	31,477	421,858	685,956	25,905	58,200	1,223,396
5636 Sound & Translation	17,215	15,203	7,533	0	6,686	46,647
5640 Courier & Postage	2,130	7,267	2,329	546	0	12,292
5661 Capital Expenditures	0	0	0	0	0	0
5665 Insurance	21,092	2,217	1,385	554	0	25,248
5690 Interest & Bank Charges	3,909	2,186	0	283	0	6,378
5695 Licences, Regist & Membership	4,444	2,822	3,296	3,190	4,574	18,325
5700 Office Supplies	6,662	55,056	20,697	2,425	7,842	92,681
5705 Equipment Purchases	44,829	16,198	9,261	11,493	0	83,780
5706 Equipment User Fees	3,969	38,341	0	0	0	42,310
5710 Janitorial Supplies	2,573	0	0	0	0	2,573
5720 Property Taxes	4,108	0	0	0	0	4,108
5740 Miscellaneous	1,312	0	0	10,234	0	11,546
5760 Rent	8,434	14,176	12,150	3,000	1,250	39,010
5765 Repair & Maintenance	4,206	13,984	2,396	3,776	9,375	33,739
5770 Vehicle Payment	0	448	0	0	0	448
5771 Scholarships	23,000	0	0	0	0	23,000
5780 Telephone	3,653	43,428	9,888	1,800	89	58,858
5785 Travel - Air	83,012	172,158	51,099	10,884	37,542	354,695
5786 Travel - Accommodation	54,705	51,786	24,463	11,369	15,400	157,723
5787 Travel - Mileage	44,984	84,550	19,107	11,531	12,137	172,311
5788 Travel - Per Diem	54,633	97,760	23,077	15,603	18,388	209,462
5789 Chiropractic	425	3,000	0	675	225	4,525
5790 Power	6,725	0	0	0	0	6,725
5791 Heating Fuel	4,884	0	0	0	0	4,884
5792 Water & Sewer	2,910	0	0	0	0	2,910
5794 Admin Fees	5,496	2,294	7,926	31,503	7,143	54,793
5800 Expenses Accrued (note)	0	0	76,200	0	63,200	139,400
5805 Revenues Returned	2,306	0	1,425	0	14,574	18,705
5950 Transfers between programs	-182,450	267,538	37,147	0	59,490	181,726
5960 Deh Cho Economic Corporation	37,000	0	0	0	0	37,000
Total expenditures	939,819	2,717,440	2,105,896	1,405,748	601,981	7,770,884
EXCESS REVENUES (EXPENDITURES)	\$146,703	-\$23,496	-\$17,346	-\$0	-\$9,565	\$96,296

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS
SCHEDULE OF CORE REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2005

SCHEDULE 2

	Core (Grant)	General Fund (FTF)	Careers (Grant)	Band Employee Benefits (Contr.)	Executive Committee (Contr.)	Fat Leadership	Elder Council	Spring Leadership	Winter Leadership	Restricted Investment Fund	Assessm	TOTAL
REVENUES:											\$5,970	\$900,911
4020 DIAND	\$765,418	\$68,284	\$5,225	\$57,016							0	0
4021 DIAND - Other Revenues											0	330
4030 GNNWT		330									0	0
4040 HRDC										\$26,891	0	105,844
4050 Other	3,741	52,664		22,548							0	2,520
4110 Wage Recoveries	0	2,520									0	50,399
4120 Travel Recoveries	2,160	47,835				\$405					0	26,518
4130 Recoveries	10,693	15,550		200	\$75	0					0	0
4250 Deferred Revenue Transfers											0	0
Total revenues	782,010	185,182	5,225	79,764	75	405	0	0	0	26,891	6,970	1,086,522
EXPENDITURES:												0
5100 Lidlí Koe First Nation												0
5120 Deh Gah Gohé Dene Council												0
5130 Katlodechee First Nation												0
5140 Pehdzeh Kí First Nation												0
5200 Kaagee Tu First Nation												0
5210 JMR First Nation												0
5220 Nahanni Butte Dene Council												0
5225 Sambaa Ke First Nation												0
5240 West Point First Nation												0
5280 Ft Providence Metis												0
5290 Ft Simpson Metis Local												0
5300 Acho Dene Koe												0
5410 Wages & Benefits	393,450	5,612		77,764								476,825
5450 Casual Wages	2,924										1,095	3,989
5610 Accounting & Legal	20,222										5,000	25,222
5615 Advertising & Promotions	5,911										0	5,911
5616 Equipment Rental											0	0
5620 Bad Debts		-597									0	-597
5625 Cash Grants	5,550	1,050			11,100	26,675	35,000	25,350	26,100		0	130,825
5630 GST Unrecovered	-1										0	-1
5634 Professional Services											0	0
5635 Subcontractors	8,202	1,371	4,698		5,906	6,325	1,575	2,000	1,400		0	31,477
5636 Sound & Translation	1,680					6,360		5,203	3,972		0	17,215
5640 Courier & Postage	1,884	154					68		23		0	2,130
5661 Capital Expenditures												0
5685 Insurance	21,092										0	21,092
5690 Interest & Bank Charges	3,909										0	3,909
5695 Licences, Regist & Membership	53	517		600	3,274						0	4,444
5700 Office Supplies	2,827	1,172			87	73	85	1,225	1,193		0	6,662
5705 Equipment Purchases		44,829									0	44,829
5706 Equipment User Fee	3,969										0	3,969
5710 Janitorial Supplies	2,573										0	2,573
5720 Property Taxes	4,108										0	4,108
5740 Miscellaneous	1,312										0	1,312
5760 Rent					1,384	1,925	2,025	1,500	1,600		0	8,434
5765 Repair & Maintenance	4,131					75					0	4,206
5770 Vehicle Payment											0	0
5771 Scholarships	22,000	1,000									0	23,000
5780 Telephone	3,582				22						50	3,653
5785 Travel - Air	4,684	61,073	348		2,083	3,706	5,317	5,802			0	83,012
5786 Travel - Accommodation	2,160	11,696	210		1,695	5,460	12,759	10,365	9,560		800	54,705
5787 Travel - Mileage	4,745	10,151			3,024	2,573	10,771	6,162	7,558		0	44,984
5788 Travel - Per Diem	2,228	9,993			2,109	8,742	13,680	7,928	9,953		0	54,833
5789 Childcare	75						25		300		25	425
5790 Power	6,725										0	6,725
5791 Heating Fuel	4,884										0	4,884
5792 Water & Sewer	2,910										0	2,910
5794 Admin Fees	480			1,400			3,551	65			0	5,496
5800 Expenses Accrued (note)	0										0	0
5805 Revenues Returned		2,306									0	2,306
5950 Transfers between programs	250,379	-135,116			-30,000	-62,413	-80,299	-65,000	-60,000		0	-182,450
5960 Deh Cho Economic Corporation		37,000									0	37,000
Total expenditures	788,649	52,210	5,256	79,764	684	-499	4,557	599	1,660	0	6,940	939,819
EXCESS REVENUES (EXPENDITURES)	-\$6,639	\$132,972	-\$31	\$0	-\$609	\$904	-\$4,657	-\$500	-\$1,660	\$26,891	\$30	\$146,703

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS

SCHEDULE 3

SCHEDULE OF DIAND CONTRIBUTION REVENUES AND EXPENDITURES

FOR THE YEAR ENDING MARCH 31, 2006

	Self Government (Contr.)	Gathering Strength (Contr.)	Negotiations Preparedness (Contr.)	Community Negotiation (FTP)	Annual Assembly (Contr.)	Traditional Mapping (Contr.)	Deh Cho Process Claims (Contr.)	Local Contaminants Coordinator (Grant)	Deh Cho Youth Camp (Contr.)	ASEP Project (Contr.)	TOTAL
REVENUES:											
4020 DIAND	\$700,000	\$600,000	\$850,000		\$30,000		\$191,043	\$27,355	\$15,000	\$36,684	\$2,450,082
4021 DIAND - Other Revenues								331			331
4030 GNWT					5,000			14,313			19,313
4040 HRDC								8,000			8,000
4050 Other	5,000	3,171								423,698	431,869
4110 Waive Recoveries	-11,153	-2,126	2,356							-1,950	-12,873
4120 Travel Recoveries	416		521				307	838		4,550	6,632
4130 Recoveries		10,658	700		0		4,738	114			16,210
4250 Deferred Revenue Transfers	0	0	1,642			5,000	1,481	-6,361		-227,381	-225,619
Total revenues	694,263	611,702	855,219	0	35,000	5,000	197,569	44,590	15,000	235,601	2,693,944
EXPENDITURES:											
5100 Lidlil Koe First Nation		27,083		65,000	928					39,580	132,592
5120 Deh Gah Gohé Dene Council		21,041		65,000	201						86,241
5130 Katkodieche First Nation		9,876		45,000	279						55,156
5140 Pehdzeh Ki First Nation		8,498		45,000	1,065						54,563
5200 Kaagee Tu First Nation		4,079		35,000	25,819						64,899
5210 JMIR First Nation		4,351		35,000	240						39,590
5220 Nahanni Butte Dene Council		5,729		35,000	408						41,137
5225 Sambaa Ke First Nation		4,816		35,000	309					21,366	61,591
5240 West Point First Nation		4,452		35,000	140						39,592
5280 Ft Providence Metis		2,317		35,000	67						37,383
5290 Ft Simpson Metis Local		2,317		35,000	309						37,626
5300 Acho Dene Koe	15,000	16,509		45,000	904	5,000					82,413
5410 Wages & Benefits	93,537		250,891				47,101	32,188		10,042	433,759
5450 Casual Wages	1,571		50		3,932						5,553
5610 Accounting & Legal	2,240		38,615								40,855
5615 Advertising & Promotions	739	10,002	3,192		243		726		406	2,652	18,050
5616 Equipment Rental	902										902
5620 Bad Debts											0
5625 Cash Grants	6,750	150	14,088		32,625		2,800			2,063	58,475
5630 GST Unrecovered											0
5634 Professional Services	39,088		72,382				1,303				112,772
5635 Subcontractors	105,794	54,368	71,180		3,000		62,501	2,970	15,000	107,046	421,858
5636 Sound & Translation	8,408				6,795						15,203
5640 Courier & Postage	351	437	4,378		584		1,480	72		6	7,287
5661 Capital Expenditures											0
5685 Insurance	554	554	554				554				2,217
5690 Interest & Bank Charges	4		1,083				1,048	51			2,186
5695 Licences, Regist & Membership		2,112	710								2,822
5700 Office Supplies	9,850	20,956	3,257		13,128		6,100	120		1,644	55,056
5705 Equipment Purchases			9,918		1,216		5,291	1,775			18,198
5706 Equipment User Fee	10,345	15,321			6,814		5,861				38,341
5710 Janitorial Supplies											0
5720 Property Taxes											0
5740 Miscellaneous											0
5760 Rent	1,400	1,050	8,796							2,930	14,176
5765 Repair & Maintenance	1,356		6,439		770		3,918	1,500			13,984
5770 Vehicle Payment	448										448
5771 Scholarships											0
5780 Telephone	18,314	5,080	11,882				8,022			130	43,428
5785 Travel - Air	69,595	6,925	55,765		1,180		13,710	3,655		21,328	172,158
5786 Travel - Accommodation	8,725	3,666	23,647		1,384		3,677	310		10,377	51,786
5787 Travel - Mileage	33,834	3,538	23,784		7,476		7,844	330		7,746	84,550
5788 Travel - Per Diem	14,450	2,346	23,037		39,733		8,484	1,094		8,616	97,760
5789 Childcare	550		1,500		300		50	525		75	3,000
5790 Power											0
5791 Heating Fuel											0
5792 Water & Sewer											0
5794 Admin Fees	0	2,000	294				0				2,294
5800 Expenses Accrued (note)											0
5805 Revenues Returned											0
5950 Transfers between programs	270,000	375,000	230,000	-510,000	-114,830		17,368			0	257,538
5960 Deh Cho Economic Corporation											0
Total expenditures	713,605	614,670	855,440	0	35,000	5,000	197,838	44,590	15,496	235,601	2,717,440
EXCESS REVENUES (EXPENDITURES)	-\$19,541	-\$2,968	-\$221	\$0	\$0	\$0	-\$270	-\$0	-\$496	-\$0	-\$23,496

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding



DEH CHO FIRST NATIONS
 SCHEDULE OF DIAND CONTRIBUTION REVENUES AND EXPENDITURES
 FOR THE YEAR ENDING MARCH 31, 2005

SCHEDULE 4

	IRMA Resource Projects (FTP/Care)	IRDA Resource Expenditures (Care)	IRDA Oil/Gas Projects (Care)	Oil & Gas Strategy Projects (Care)	Pipeline Working Groups (Care)	Community Partnership Projects (FTP)	PWG Strategy Projects (FTP/Care)	PWG Environment & Forest (Care)	PWG Training Plan (Care)	PWG Winter Plan (Care)	LOC Mines & Minerals (Care)	COMP Water Projects (Care)	TOTAL
REVENUES:													
4000 DIAND													\$1,847,415
4021 DIAND - Other Revenues											27,000		27,000
4000 GNWT													8,000
4040 HRDC			6,000										6,000
4050 Other						201,300					300	\$20,000	221,600
4110 Wage Recoveries					-5,700	-2,100							-7,800
4120 Travel Recoveries					39								39
4130 Recoveries												75	75
4250 Deferred Revenue Transfer	968	-7,696	0				\$0	0	\$0	\$0	0	-1,055	-7,783
Total revenues	208,968	916,734	156,000	22,214	9,464	400,500	0	300,000	0	0	53,650	19,020	2,088,556
EXPENDITURES:													
5100 Lidi Koe First Nation		19,904	25,000			119,000							163,904
5120 Deh Gah Gollie Dene Court	17,018	65,259											82,277
5130 Katioidewehche First Nation	17,018	35,384											52,402
5140 Penichee Ki First Nation	17,018	30,961				39,000							86,979
5200 Kasagee Tu First Nation	17,018	16,082				39,000							72,110
5210 JMRR First Nation	17,018					39,000							56,018
5220 Nenahni Butte Dene Court	17,018												17,018
5225 Sambiaa Ke First Nation	17,018	12,546				30,000		9,000					68,564
5240 West Point First Nation	17,018	43,170											60,188
5280 Ft Providence Metis	17,018	66,346											83,364
5290 Ft Simpson Metis Local	17,018	30,807											47,825
5300 Achio Dene Koe	17,018	66,346											83,364
5410 Wages & Benefits			37,667			19,591		41,123					98,371
5450 Casual Wages						1,270		4,380				4,004	9,574
5610 Accounting & Legal						3,677		66,271					69,948
5615 Advertising & Promotions													3,677
5616 Equipment Rental													0
5620 Bad Debts													0
5625 Cash Grants			1,250					1,050					2,300
5630 GST Unrecovered													0
5634 Professional Services								6,053					6,053
5635 Subcontractors	7,138	520,819	60,417		2,250	32,759		43,023			19,550		685,966
5636 Sound & Translation											7,533		7,533
5640 Courier & Postage			39					2,290					2,329
5661 Capital Expenditures													0
5665 Insurance								1,385					1,385
5690 Interest & Bank Charges													0
5695 Licences Regist & Membership			696	2,600									3,296
5700 Office Supplies			1,206		30	4,570		12,188			460	2,444	20,897
5705 Equipment Purchases								8,261					9,261
5706 Equipment User Fee													0
5710 Janitorial Supplies													0
5720 Property Taxes													0
5740 Miscellaneous													0
5760 Rent			75		400	6,135		4,540			1,000		12,150
5765 Repair & Maintenance						258		2,138					2,396
5770 Vehicle Payment													0
5771 Scholarships													0
5780 Telephone			667		25	5,155		3,861					9,868
5785 Travel - Air			4,233	13,628	990	9,401		18,197			628	4,022	51,089
5786 Travel - Accommodation			618	3,501	1,730	4,062		5,093			6,013	3,446	24,463
5787 Travel - Mileage			2,544	2,048	649	3,522		4,455			4,365	1,323	19,107
5788 Travel - Per Diem			1,941	152	1,452	5,064		4,188			5,489	3,781	23,077
5789 Childcare													0
5790 Power													0
5791 Heating Fuel													0
5792 Water & Sewer													0
5794 Admin Fees	0		0		1,973			76		0	5,877		7,925
5800 Expenses Accrued (note)								76,200					76,200
5802 Revenues Returned								0		0	1,425		1,425
5850 Transfers between program	14,631		22,516					0		0			37,147
5900 Deh Cho Economic Corporation													0
Total expenditures	208,968	916,734	155,048	21,825	9,669	400,464	0	316,583	0	0	53,350	19,020	2,105,896
EXCESS REVENUES (EXPENDITURES)	\$0	\$0	-\$1,048	\$265	-\$205	\$36	\$0	-\$16,683	\$0	\$0	\$300	\$0	-\$17,345

Note: expenditures (fees, etc.) accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding



DEH CHO FIRST NATIONS

SCHEDULE 5

SCHEDULE OF ABORIGINAL HUMAN RESOURCE DEVELOPMENT REVENUES AND EXPENDITURES

FOR THE YEAR ENDING MARCH 31, 2005

	AHRDA CRF CA2001-04	EI CA2001-04	General Administration	Capacity Project	Small Urban Project	Child Care Project	Youth Program Project	Persons With Disabilities	TOTAL
REVENUES:									
4020 DIAND									50
4021 DIAND - Other Revenues									0
4030 GNWT									0
4040 HRDC	\$1,069,317	\$342,997							1,412,314
4050 Other	24		\$310						334
4110 Wage Recoveries									0
4120 Travel Recoveries			420			\$247			666
4130 Recoveries		0	-250						-250
4250 Deferred Revenue Transfers	0	-7,316							-7,316
Total revenues	1,069,341	335,681	400	0	0	247	0	0	1,405,748
EXPENDITURES:									
*5100 Liidl Koe First Nation	117,585	80,410	17,505		8,000	84,071	13,390		321,062
5120 Deh Gah Gote Dene Council	121,763	72,515	10,000		2,275	40,143	12,610		259,306
5130 Katlodeeche First Nation	43,167	8,525				90,471	4,911		147,074
5140 Pehdzeh K' First Nation	21,330	15,160				34,286	4,226		75,002
5200 Kaagee Tu First Nation	17,830	9,703					2,028		29,561
5210 JMR First Nation	19,016	10,348					2,163		31,527
5220 Nahanni Butte Dene Council	25,041	13,628					2,849		41,517
5225 Sambaa Ke First Nation	24,408	8,789	1,787				2,444		37,408
5240 West Point First Nation	19,460	10,590				10,435	2,214		42,699
5280 Ft Providence Metis									0
5290 Ft Simpson Metis Local	7,753	2,372					1,152		11,277
5300 Acho Dene Koe	72,159	29,453	2,428		2,000	31,357	8,210	4,000	149,607
5410 Wages & Benefits			96,821						96,821
5450 Casual Wages			1,200					3,997	5,257
5610 Accounting & Legal			5,026						5,026
5615 Advertising & Promotions			7,200						7,200
5616 Equipment Rental									0
5620 Bad Debts									0
5625 Cash Grants									0
5630 Cash Short/Over									0
5634 Professional Services									0
5635 Subcontractors			368	9,395		18,143			25,905
5636 Sound & Translation									0
5640 Courier & Postage			546						546
5661 Capital Expenditures									0
5685 Insurance			554						554
5690 Interest & Bank Charges			283						283
5695 Licences, Regist & Membership						3,190			3,190
5700 Office Supplies			2,343			81			2,425
5705 Equipment Purchases			11,493						11,493
5710 Janitorial Supplies									0
5720 Property Taxes									0
5740 Miscellaneous					10,234				10,234
5760 Rent			3,000						3,000
5765 Repair & Maintenance			3,778						3,778
5770 Vehicle Payment									0
5771 Scholarships									0
5780 Telephone			1,800						1,800
5785 Travel - Air			4,021	1,816		5,047			10,884
5786 Travel - Accommodation			1,856			9,513			11,369
5787 Travel - Mileage			8,136			3,395			11,531
5788 Travel - Per Diem			4,270			11,333			15,603
5789 Childcare			-150			1,025			875
5790 Power									0
5791 Heating Fuel									0
5792 Water & Sewer									0
5794 Admin Fees	5,053		1,729		15,025	4,606		5,521	31,933
5800 Expenses Accrued (note)									0
5805 Revenues Returned									0
5950 Transfers between programs	574,676	74,207	-185,574	-11,211	-37,534	-344,849	-56,197	-13,518	0
5960 Deh Cho Economic Corporation									0
Total expenditures	1,069,341	335,681	400	-0	0	247	0	0	1,405,748
EXCESS REVENUES (EXPENDITURES)									
	\$0	\$0	-\$0	\$0	\$0	-\$0	\$0	\$0	-\$0

Note: expenditures, returns, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS
 SCHEDULE OF OTHER REVENUES AND EXPENDITURES
 FOR THE YEAR ENDING MARCH 31, 2005

	Wells RWED Funded	Energy Services	Language Evaluation Funded	Language CA 26/05	Language Library	GNWT/ ECL	Non Paved Funded	F.N. Forestry ADCE	First Nations Funding	AA/COM Funded	Contribution Working GEBC	Mechanics Cost Phase 2	F.N. Funding Funded	CARC Funded	1015
REVENUES:															
4020 DIAND															0
4021 DIAND - Other Revenues															264,888
4030 GNWT	119,167			524,500	520,000	980	119,239								0
4040 HRDC								528,800	34,450	361,562	573,000	380,000	520,100	82,000	434,737
4050 Other															0
4110 Wage Revenues											37				37
4120 Travel Revenues															0
4130 Revenues															0
4200 Deferred Revenue Transfers		2,875	83,789	2,680			2,609			5,305			-125,380	-1,858	-131,235
Total revenues	119,167	2,875	3,789	527,180	520,000	980	116,630	26,800	4,450	56,217	75,037	60,000	74,710	142	362,414
EXPENDITURES:															
5100 Little Fox First Nation				44,431	6,780										51,191
5120 Deh Cho Gasline Dene Council				40,208	10,000		1,900								52,108
5130 Kallinowah First Nation				23,307									52,900		75,307
5140 Inuvialut At First Nation				17,674	8,240										25,914
5200 Kasega Tu First Nation				7,112											7,112
5210 JAR First Nation				9,225											9,225
5220 Nuuksu Bubble Dene Council				9,225	5,000										14,225
5225 Sarbas Ka First Nation				8,521											8,521
5240 West Point First Nation				6,408											6,408
5260 Ft. Providence Metis															0
5290 Ft. Simpson Metis Local															0
5300 Acho Dene Koe				24,716	3,380										28,096
5410 Wages & Benefits						2,170									2,170
5450 Casual Wages															0
5610 Accounting & Legal															0
5615 Advertising & Promotions										627					627
5616 Equipment Rentals															0
5620 Bad Debts															0
5625 Cash Grants				600					600		3,075				4,275
5630 GST Unrecovered															0
5634 Professional Services								13,500	11,500	30,000	800	2,000	400		58,200
5635 Subcontractors															0
5638 Sound & Transmission	4,630								2,061						6,691
5640 Courier & Postage															0
5681 Capital Expenditures															0
5685 Insurance															0
5690 Interest & Bank Charges															0
5695 Licenses, Regals & Membership															0
5700 Office Supplies				2,164			1,150	808		2,254	4,574		1,183	142	7,842
5705 Equipment Purchases															0
5710 Janitorial Supplies															0
5720 Property Taxes															0
5740 Miscellaneous															0
5760 Rent								200			1,050				1,250
5765 Repair & Maintenance		9,375													9,375
5770 Vehicle Payments															0
5775 Stipends															0
5780 Telephone															0
5785 Travel - Air	1,260			1,250					373	6,837	9,400		18,617		37,542
5786 Travel - Accommodation	2,915			1,430				2,265	463	1,735	5,391		1,300		15,400
5787 Travel - Mileage	2,796			903				2,302	1,746	2,704	1,586				12,137
5788 Travel - Per Diem	3,181			671				2,712	667	1,896	6,261		1,200		18,388
5789 Childcare											225				225
5790 Power															0
5791 Heating Fuel															0
5792 Water & Sewer															0
5794 Admin Fees	2,500			0				4,063	580	0					7,143
5800 Expenses Accrued (profit)												63,290			63,290
5805 Revenues Returned				2,341	787	11,846									14,974
5805 Transfers between programs				23,100	15,226	-1,190				10,264	42,542				59,492
5860 Deh Cho Economic Corporation															0
Total expenditures	119,167	9,375	2,341	527,180	30,000	980	16,630	25,911	4,450	56,218	75,037	60,290	74,710	142	601,981
EXCESS REVENUES (EXPENDITURES)	0	\$4,500	\$1,448	0	\$5,000	0	0	\$6,689	0	0	0	\$290	0	0	\$9,545

Note: expenditures, transfers, etc. incurred at year end and incurred in the Subsequent Year but debited to the Current Year to match funding.



Robert
Stewart

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AUDITOR'S DERIVATIVE REPORT

To Indian and Northern Affairs Canada
4920 - 52 Street
Yellowknife, Northwest Territories
X1A 2R1

I have audited the financial statements of the DEH CHO FIRST NATIONS as at March 31, 2005, and for the year then ended, and reported on June 10, 2005.

A Schedule of Executive costs, other remuneration and travel and a Schedule of Federal Government Funding is required to be presented to Indian and Northern Affairs Canada pursuant to the funding agreement between Indian and Northern Affairs Canada and the DEH CHO FIRST NATIONS. The schedules have been compiled by the management of the DEH CHO FIRST NATIONS from their records. For the purposes of understanding our involvement with these schedules, please note that:

- I have audited and separately reported on the financial statements;
- my audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole;
- the attached schedules are presented for the purpose of forming an opinion for the Department of Indian Affairs and does not form part of the financial statements; and
- the schedules have been subjected to the auditing procedures applied to the audit of the financial statements taken as a whole.

During the course of the aforementioned audit, we encountered no discrepancies on these schedules. However, no procedures have been carried out on these schedules in addition to those necessary to form an opinion on the financial statements.

This report has been prepared in accordance with generally accepted auditing standards in Canada.



June 10, 2005
Yellowknife, N.W.T

CHARTERED ACCOUNTANT

Deh Cho First Nations



DEH CHO FIRST NATIONS

SCHEDULE OF EXECUTIVE COSTS, OTHER REMUNERATION AND TRAVEL

FOR THE YEAR ENDING MARCH 31, 2005

<u>Name</u>	<u>Position</u>	<u>Approved Salary Range</u> \$	<u>Per Diems/Other Remuneration</u> \$	<u>Travel</u> \$
ELECTED OR APPOINTED OFFICIALS:				
Herb Norwegian	Grand Chief	85,000	15,000	37,672
Ted Landry	Executive/Leadership		2,400	1,537
Flora Cli	Executive/Leadership		900	4,018
Stanley Sanguéz	Executive/Leadership		2,550	5,282
Berna Landry			450	2,678
UNELECTED SENIOR OFFICIALS:				
Alison De Pelham	Executive Director	81,500	27,000	14,869

Note: amounts under \$2,000 not reported

Note - this is a special purpose statement required by the Department of Indian Affairs and Northern Development ("DIAND" or "INAC")



SCHEDULE 8

DEH CHO FIRST NATION

SCHEDULE OF FEDERAL FUNDING

FOR THE YEAR ENDING MARCH 31, 2005

INAC							
<u>Name</u>	<u>Federal Funding Received</u>	<u>Unexpended Funding Beginning</u>	<u>Adjustments</u>	<u>Total Funding Available</u>	<u>Funding Expended</u>	<u>Unexpended Funding End of Year</u>	
Band Support	\$900,911	\$0	\$0	\$900,911	\$900,911	\$0	
Economic Development	0	0	0	0	0	0	
Other	4,297,500	183,064	0	4,480,564	4,208,480	272,084	
	<u>\$5,198,411</u>	<u>\$183,064</u>	<u>\$0</u>	<u>\$5,381,475</u>	<u>\$5,109,391</u>	<u>\$272,084</u>	

Note - this is a special purpose statement required by the Department of Indian Affairs and Northern Development ("DIAND" or "INAC")



**Robert
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June 10, 2005

Graham Baptiste, Funding Services Officer
Indian and Northern Affairs Canada
4920 - 52 Street
Yellowknife, Northwest Territories
X1A 2R1

Re: Deh Cho First Nation Funding Reconciliation

At the request of Deh Cho First Nation, I provide the following responses to your fax of July 12, 2004 and the new mandatory requirement in the Year-end Reporting Handbook (#6.6) for a Funding Reconciliation. As reported in the audited financial statements:

1. INAC Revenues per Financial Statements	\$5,198,411
Reconciling items	<u>0</u>
INAC Revenues per Funding Confirmation	\$5,198,411
2. Amounts due from INAC - current year	\$ 600,294
Amounts due from INAC - prior year	<u>56,179</u>
Amounts due from INAC - TOTAL per Note 3	656,473
Amounts due to INAC	0

3. Detailed explanation of the discrepancies between the amounts stated in the agreement and the amounts in the financial statements – None.

4. Reference of the correspondent page of the Financial Statements – Schedules 2, 3 & 4.

5. For Block Funded or Core Funded Services, details regarding transfers of INAC funding between Block Funded or Core Funded services – None.

6. Other adjustments – None.

Yours truly,

ROBERT STEWART CHARTERED ACCOUNTANT



Robert A. Stewart, C.A., C.M.C.
CC. Deh Cho First Nation - Alison de Pelham



Deh Cho First Nations