

Mackenzie Valley
Review Board



Annual Report
2013 - 2014



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Our mission

To conduct independent, fair and timely environmental impact assessments in the Mackenzie Valley that protect the environment, including the social, economic, and cultural well-being of its residents.

Our vision

Working together, balancing diverse values and making wise decisions that protect the environment for present and future generations.

Our values

We value:

- relationships based on mutual respect, trust, and honesty;
- acting with integrity, objectivity, and fairness;
- accountability, quality, and efficiency in our work;
- consensus decision-making and teamwork;
- transparency, accessibility, and openness in our processes;
- the diversity of the Mackenzie Valley;
- learning as an organization; and
- continual improvement through innovation and adaptation.

Contact us

Toll Free: 1-888-912-3472 (NT, NU and YT only)

Phone: 867-766-7050

Fax: 867-766-7074

Email: secretary@reviewboard.ca

Mackenzie Valley Environmental Impact Review Board

Box 938, #200 Scotia Centre

5102 – 50th Ave

Yellowknife, NT X1A 2N7

reviewboard.ca



Message from the Chairperson



JoAnne Deneron,
Chairperson of the
Review Board.



The 2013/14 fiscal year marked the 15th year of operation for the Mackenzie Valley Environmental Impact Review Board (Review Board). It was a watershed year for the Board in the sense that it followed what had been the most intense year of environmental impact assessment (EIA) activity ever experienced by the Board. The decreased work load in 2013/14 offered a timely opportunity to reflect on lessons learned as well as to prepare for significant amendments to the Mackenzie Valley Resource Management Act (MVRMA) that received royal assent on March 25, 2014.

The Review Board managed 10 environmental assessments (EAs) and one environmental impact review (EIR). Of the 10 EAs; three reports of EA were completed, three previously submitted reports of EA were awaiting Ministerial approval and four EAs were on-going and carried forward to the 2014/15 fiscal year. A decision by the Federal Minister to accept the Report of EA from a previously conducted EA was subject to a judicial review. Additionally, another EA was terminated at the request of the developer. The Review Board also completed an environmental impact review (EIR); the review of the proposed DeBeers Gahcho Kue Diamond Mine at Kennady Lake.

The Review Board has continued to address its goals as set out in the Board's Strategic Plan. The Board's primary goal is to achieve a timely environmental assessment process. This has also been a focus of the recent MVRMA amendments. Considerable effort has been put into advance consultations regarding the amendments and implementation planning. The Review Board believes we can ensure the timelines, now set out in the MVRMA, will be met in future EA processes.

The Honourable Bernard Valcourt, Minister of Aboriginal Affairs and Northern Development Canada, announced my appointment to the position of Chairperson of the Review Board in March of 2014. I am honoured to be the Chairperson of the Review Board for the next three years and look forward to the challenges that lay ahead knowing we have a very strong Board with a solid vision and goals for where we need to go as an organization.

I want to acknowledge and commend my predecessor, Richard Edjericon, for his leadership as Chairperson over the previous six-year period. He guided the Review Board through an important period characterized by major developments under environmental assessment or impact review and, at times, involving an intense work load and constrained resources. As the longest serving past Chairperson he has helped make the Review Board the organization it is today.

I also want to acknowledge the long and valued service of Dehcho First Nations nominee Percy Hardisty. Percy had been a Board member since October 2003 with the exception of the period he served on the Joint Review Panel reviewing the proposed Mackenzie Gas Project. His term as Board member expired in March. Percy's dedication and contribution to the Board's work will be missed.

Our appreciation also goes out to the former GNWT nominated Board members Richard Mercredi and Rachel Crapeau whose terms expired in May and July of 2013 respectively. They both made a significant contribution to the

Board over the past three years.

Board members wish all the outgoing Board Members and Chairperson the very best in all of their future endeavors.

A key objective for the upcoming fiscal year is to update and review the Board's processes and guidelines to meet the goals of the amended MVRMA. In addition, the Board will be reviewing and updating its own administrative and financial policies within.

Finally, I would like to acknowledge and thank the highly skilled staff of the Review Board. Their knowledge, dedication and hard work have been key to the Review Board's success. Excellent staff and a motivated Board will endeavor to continue the success of the Review Board.

Sincerely,

Joanne Deneron

Chairperson



About the Review Board

The Mackenzie Valley Environmental Impact Review Board is a co-management board responsible for the environmental impact assessment process in the Mackenzie Valley.

In 1998, the *Mackenzie Valley Resource Management Act* (the Act) established the Review Board as an independent administrative tribunal. Although the federal government enacted this piece of legislation, the Act arose from land claim negotiations between aboriginal groups in the Northwest Territories and the federal and territorial governments. As a result, the Act gives Aboriginal people of the Mackenzie Valley a greater say in resource development and management.

The Review Board's vision for itself is: "working together, balancing diverse values and making wise decisions that protect the environment for present and future generations."

Board membership

The Review Board consists of nine members appointed by the Minister of Aboriginal Affairs and Northern Development Canada. The chairperson is typically appointed on the nomination of the Review Board; whereas the eight regular Board members are appointed in equal numbers from nominees submitted by government (federal and territorial) and Aboriginal land claimant organizations. As a result, the Review Board is a co-management board with an equal number of members from Aboriginal land claimant organizations and from both levels of government.

There were two appointments made to the Review Board in the 2013-14 fiscal years. Michael McLeod (Fort Providence) was nominated by the territorial government and was appointed to the Review Board in July, 2013.

JoAnne Deneron (Fort Liard) was nominated by the Review Board and appointed chair on March 29, 2014.

Richard Edjericon (N'Dilo) served on the Review Board since March, 2007 before taking the role of chairperson in March, 2008. He has served in the role of chair for two terms. He was first nominated to the Review Board by federal government. Richard's term as chair ended March 28, 2014.

Percy Hardisty (Fort Simpson) was appointed to the Review Board in October, 2007. His term ended in March of 2014. Percy was a Dehcho nominee.

Richard Mercredi (Fort Smith) was nominated by the territorial government and has been with the Review Board since May, 2013. His term ended in May, 2014.

Rachel Crapeau (Dettah) was nominated by the territorial government and has been with the Review Board since July, 2010. Rachel's term ended July, 2013.

As of March 31 2014, there are three vacant positions on the Review Board: one territorial nominated position; the Gwich'in nominated position, vacant since March 2011 after the expiry of Mr. Fred Koe's term, and the Sahtu nominated position vacant since the expiry of Danny Bayha term in November, 2012.

The Review Board continues to work with the Department of Aboriginal Affairs and Northern Development Canada to ensure the Review Board vacancies do not give rise to quorum issues, which could delay board business.

As of March 31 2014, three of the five members are Aboriginal, and two are long-time northerners. The members are:

JoAnne Deneron , Chairperson
John Curran, (Federal nominee)
Michael McLeod (Territorial nominee)
Sunny Munroe, (Federal nominee)
James Wah-Shee (Tlicho nominee)

Review Board Members as of March 31 2014



Chairperson JoAnne Deneron



Board members L-R: James Wah-Shee, Michael McLeod, Sunny Munroe, John Curran

Outgoing Board Members



Board members L-R: Chairperson Richard Edjericon, Richard Mercredi, Rachel Crapeau, Percy Hardisty.

Review Board Staff

In 2013-14, there were a few staffing changes at the Review Board office.

After 14 years with the Review Board, Vern Christensen retired as executive director in February, 2014. He stayed on until May as a special advisor.

Mark Cliffe-Phillips was hired by the Review Board to assume the role of executive director in February of 2014.

Catherine McManus was hired as the administrative assistant in January, 2014.

Sachi De Souza was hired as an environmental assessment officer in March 2014.

Staff contact information

<http://reviewboard.ca/contact.php>

Mark Cliffe-Phillips, Executive Director
Ph: (867) 766-7055
Email: mcliffephillips@reviewboard.ca

Catherine McManus, Administrative Assistant
Ph: (867) 766-7050
Email: secretary@reviewboard.ca

Stacey Menzies, Logistics and Planning Officer
Ph: (867) 766-7060
Email: smenzies@reviewboard.ca

Environmental assessment team

Alan Ehrlich, Manager, Environmental Impact Assessment
Ph: (867) 766-7056
Email: aehrich@reviewboard.ca

Chuck Hubert, Senior Environmental Assessment Officer
Ph: (867) 766-7052
Email: chubert@reviewboard.ca

Simon Toogood, Environmental Assessment Officer
Ph: (867) 766-7053
Email: stoogood@reviewboard.ca

Sachi DeSouza, Environmental Assessment Officer
Ph: (867) 766-7054
Email: sdesouza@reviewboard.ca

Finance team

Therese Charlo, Finance and Administration Officer
Ph: (867) 766-7061
Email: tcharlo@reviewboard.ca

Roxane Landry, Finance & Records Clerk
Ph: (867) 766-7058
Email: rlandry@reviewboard.ca

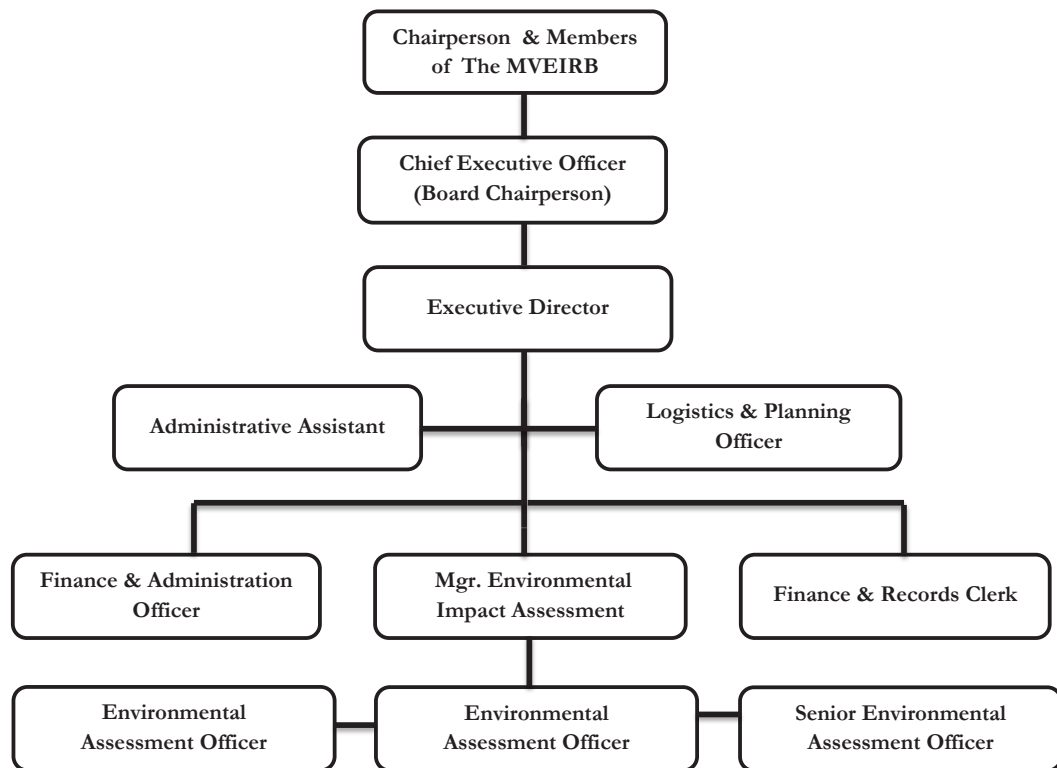


Passing the torch: Vern Christensen retires and Mark Cliffe-Phillips takes on the role of Executive Director.





Organization Chart



Environmental impact assessment and regulatory process

There are three stages in the environmental impact assessment process in the Mackenzie Valley.

1. Preliminary screening

All proposed developments that require a license, permit, or other authorization must apply and go through a preliminary screening. A land and water board, such as the Mackenzie Valley Land and Water Board, a regional panel of the Land and Water Board or other regulating authority, usually runs this process. Preliminary screening is a quick review of a proposed development to decide if it might have significant adverse impacts on the environment, or might cause public concern. If so, the application is referred to the second stage – environmental assessment. If not, then the application can be sent to the regulator for permitting and licensing.

2. Environmental assessment

Only a small number—less than 5%—of proposed developments must go through an environmental assessment, which is a more thorough study of a proposed development to decide if it is likely to have significant adverse impact on the environment, or likely to be a cause of public concern. Upon completion of the environmental assessment, the Review Board sends its Reasons for Decision to the federal Minister of Aboriginal Affairs and Northern Development Canada and other responsible ministers, along with one of the following:

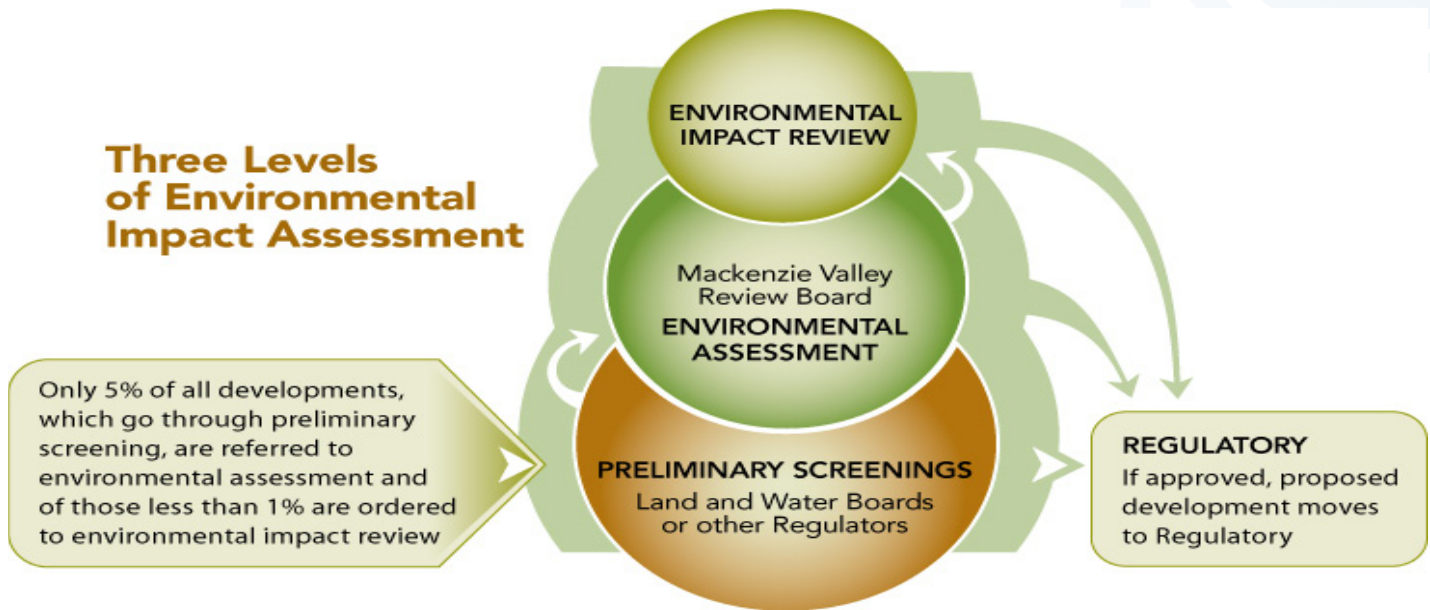
- a) a decision that the project can proceed to regulatory permitting and licensing as is; or
- b) a recommendation that the project proceed to regulatory permitting and licensing provided certain mitigation measures are put in place; or
- c) a recommendation that the project be rejected.

Alternatively, if the Review Board decides, based on the evidence presented during an assessment, that a proposed development is likely to have significant impact on the environment or be a cause of public concern, the Review Board may order an environmental impact review.

3. Environmental impact review

An environmental impact review follows an environmental assessment when the Review Board or the federal and responsible ministers deem a more comprehensive examination of a proposed development is needed. An independent panel runs the impact review. The panel may consist of both Review Board members and non-Review Board members, all appointed by the Review Board. The environmental impact review provides a more rigorous study of the issues raised during the environmental assessment.

Three Levels of Environmental Impact Assessment



Preliminary screenings

There were approximately 45 preliminary screenings received by the various waterboards and 2 from other screeners such as Parks Canada. The screenings covered sectors as oil and gas, mining, infrastructure, tourism, etc.,

By screener for 2013-14

Mackenzie Valley Land and Water Board: 27

Gwich'in Land and Water Board: 5

Sahtu Land and Water Board: 14

Wek'eezhii Land and Water Board: 4

Other: 2

Environmental assessments and impact reviews summary

The table below provides an overview of the status of environmental assessments and environmental impact reviews at the beginning and the end of the reporting period.

Environmental assessment	Referred	Status at April 1, 2013	Status at March 31, 2014	Notes
EA1314-02 DeBeers Canada Inc Snap Lake Water Licence Amendment	January 22, 2014	---	Reasons for Decision on scope of assessment issued March 28, 2014	Board issued compressed EA work plan February 24, 2014 with hearings scheduled for June, 2014
EA1314-01 Dominion Diamond Ekati Corporation Jay-Cardinal Project	November 21, 2013	---	Dominion Diamond preparing Developer's Assessment Report	Board issued Terms of Reference February 21, 2014
EA1213-002: Department of Transportation- Mackenzie Valley Highway Project	February 2013	Board requested applications for party status	GNWT preparing Developer's Assessment Report.	Board issued Terms of Reference December 23, 2013
EA1011-001: Nechalacho Rare Earth Elements Project – Avalon Rare Metals Inc.	June 2010	Public hearing completed, closing comments submitted, public record closed on April 3, 2013	EA completed and closed.	Board issued Report of EA July 26, 2013 AANDC Minister accepts Report of EA on November 4, 2013
EA0809-004: NICO Project – Fortune Minerals Ltd.	February 2009	Report of EA issued January 25, 2013 Responsible Ministers reviewing Report of EA	EA completed and closed	AANDC Minister accepted Report of EA after modifying measure #8, July 17, 2013
EA0809-003: Yellowknife Gold Project – Tyhee NWT Corporation	September 2008	Tyhee preparing updated project description and responses to information requests	EA suspended until the developer provides the information requested	Last communication from developer to the Board received August 19, 2013
EA0809-001: Giant Mine Reclamation and Remediation Project – Aboriginal Affairs and Northern Development Canada	April 2008	Developer preparing post-hearing information request responses .	Awaiting Ministerial decision	The Board released the Report of EA on June 20, 2013, and participated in the consult-to-modify process in January and February 2014

Environmental assessment	Referred	Status at April 1, 2013	Status at March 31, 2014	Notes
EA0708-007: Taltson Hydroelectric Expansion Project – Dezé Energy Corporation Ltd.	October 2007	Adjourned at the request of the developer.	EA withdrawn by developer and closed	The developer terminated EA in correspondence received July 12, 2013
EA0506-005: Mineral Exploration Program – Encore Renaissance Resources Corp. (formerly Consolidated Goldwin Ventures Inc)	September 2005	Review Board establishing procedure to conduct further consideration of its measures.	Minister preparing response to Review Board's November 2011 Reasons for Decision.	Review Board issued Report of Environmental Assessment in November 2007. At the request of the ministers, the Review Board further considered some of its measures, and released a Reasons for Decision in November 2011
EA0506-006: Mineral Exploration Program – Sidon International Resources Corp.	September 2005	Minister preparing response to Report of EA issued in February 2008.	Minister preparing response to Report of EA issued in February 2008.	Review Board issued Report of Environmental Assessment in February 2008. In May 2010, the federal and responsible Ministers indicated they required more time to review the Review Board's report

Environmental Impact Review	Status at April 1, 2013	Status at March 31, 2014	Notes
EIR0607-001: Gahcho Kué Diamond Mine – De Beers Canada Inc. Ordered to EIR, June 2006	Panel preparing Report of EIR	EIR completed and closed	Panel issued Report of EIR July 19, 2013 AANDC Minister accepted Report October 22, 2013

Ongoing environmental assessments

The following environmental assessment status updates are provided as of March 31, 2014.

EA1314--002: Snap Lake Water Licence Amendment – De Beers Canada Inc.

http://www.reviewboard.ca/registry/project.php?project_id=675

This environmental assessment evaluates an amendment to the Snap Lake Mine Water Licence. The amendment includes a request by the developer to increase the level of total dissolved solids that can be discharged from the mine into Snap Lake above the limit set out in measures from the original Report of Environmental Assessment and Reasons for Decision for the Snap Lake Project, 2003. The request by the developer to amend the water licence was referred to environmental assessment on January 22, 2014. The developer is De Beers Canada Inc.

The Review Board describes a limited scope for this environmental assessment in its draft scoping document on February 24, 2014. The scope of assessment includes only water licence amendments related to total dissolved solids and its constituents because those water licence amendments exceed binding measures from 2003 Report of EA. Comments on the draft scoping document were received from parties and the Board issued its Reasons for



Community scoping session for the Jay Cardinal Project in Lutsel K'e.

Decision on the scope of assessment on March 28, 2014. The work plan for the environmental assessment combines several process steps with the Mackenzie Valley Land and Water Board in order to achieve efficiencies and reduce overall EA/licensing timelines. Due to the narrow scope of the amendments, the work plan does not require the developer to prepare a Terms of Reference or submit a Developer's Assessment Report. Technical sessions are planned for mid-April, 2014 and hearings are proposed in June 2014.

EA1314--001: Jay-Cardinal Project – Dominion Diamond Ekati Corporation

http://www.reviewboard.ca/registry/project.php?project_id=674

The Jay-Cardinal Project is an expansion of the existing Ekati diamond mine and consists of two proposed open pits at Lac du Sauvage. The project was referred to environmental assessment on November 21, 2013. The developer is Dominion Diamond Ekati Corporation.

The developer's proposed Terms of Reference was sent out for review in December, 2013 and issues scoping meetings were held in the communities of Behchoko, Lutsel K'e and Yellowknife in January 2014. The Review Board prepared its own draft Terms of Reference and asked for comments from reviewers. The Board issued its final Terms of Reference for the Jay-Cardinal Project on February 21, 2014. Dominion Diamond is preparing its Developer's Assessment Report.

EA1213-002: Mackenzie Valley Highway – Government of the Northwest Territories

http://www.reviewboard.ca/registry/project.php?project_id=672

The Mackenzie Valley Highway was referred to environmental assessment in February 2013. The Government of the Northwest Territories proposes to construct and operate the Mackenzie Valley Highway as an 818 km all-weather road from Wrigley to the Dempster Highway south of Inuvik.

The Review Board held issue scoping meetings along the highway route in the communities of Wrigley, Tulita, Norman Wells, Fort Good Hope and Inuvik in September 2013. The Review Board issued its final Terms of Reference for the proposed highway on December 23, 2013. The Government of the Northwest

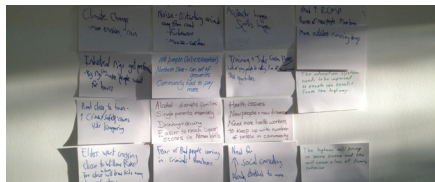
Territories is preparing its Developer's Assessment Report based on the requirements of the Terms of Reference.

EA0809-003: Tyhee NWT Corp. – Yellowknife Gold Project (2008)

http://reviewboard.ca/registry/project.php?project_id=71

The Yellowknife Gold Project is a proposed open pit gold mine located 88 kilometers northeast of Yellowknife and is adjacent to the historic Discovery Mine site. In August of 2012, the developer advised the Board that changes to the project description were contemplated and indicated that a revised project description and responses to information requests would be submitted.

In June 2013, the developer advised the Review Board that it required additional time to prepare an updated project description and respond to information requests from parties and the Board. On July 25, 2013 the Review Board advised the developer that failure to provide the required information within one month would result in suspension of the EA. The developer responded on August 19, 2013 that it was unable to provide the information as requested. The Yellowknife Gold Project is therefore suspended until further notice.



Scoping sessions: comment cards reflect concerns for a proposed project.

Environmental assessments completed and closed in 2013-14

EA1011-001: Avalon Rare Metals Inc. – Nechalacho Rare Earth Elements Project

http://reviewboard.ca/registry/project.php?project_id=87

The Nechalacho Project is an underground rare earth element mine located 100 kilometers southeast of Yellowknife at Thor Lake on the north side of Great Slave Lake. The development includes a hydro-metallurgical processing facility at the former Pine Point mine site on the south side of Great Slave Lake. Materials for mine construction and operation as well as fuel and concentrate will be barged across the lake during the open water season.

Public hearings for the Nechalacho Project were held in February 2013 and the public record was closed on April 3. The Review Board issued its Report of Environmental Assessment and Reasons for Decision on July 26, 2013. The Report recommended that the project proceed subject to measures to reduce impacts to water, wildlife and the people of the Mackenzie Valley. The Minister of Aboriginal Affairs and Northern Development Canada accepted the Review Board's Report on November 4, 2013. The project then proceeded to the regulatory phase for approvals.

EA0809-004: Fortune Minerals Ltd. – NICO Project

http://reviewboard.ca/registry/project.php?project_id=72

The NICO Project is a gold, cobalt, bismuth and copper combined open pit and underground mine proposed by Fortune Minerals Ltd. The project is surrounded by Tlicho titled settlement land, approximately 50 kilometers northwest of Whiti and the proposed access road crosses Tlicho land. The NICO project has a twenty year mine life and will require construction of an all-season access road.

The Review Board issued its Report of Environmental Assessment and Reasons for Decision on January 25, 2013. The Report

was sent to both the Minister Aboriginal Affairs and Northern Development Canada and the Tlicho Government because they are co-decision makers for the project. The Report recommended that the project proceed subject to measures to reduce impacts to water quality, wildlife and cultural values of the Tlicho people. In May 2013, the Responsible Ministers proposed a modification to one of the measures related to wildlife and in June the Review Board responded with a revised measure.

The Report with the revised measure was accepted by the Minister of Aboriginal Affairs and Northern Development on July 17 and by the Tlicho Government on July 18, 2013. The project then proceeded to the regulatory phase for approvals.

Completed environmental assessments under further consideration in 2013-14

The following environmental assessment status updates are provided as of March 31, 2014.

EA0809-001: Giant Mine Remediation Directorate, Aboriginal Affairs and Northern Development – Giant Mine Remediation

http://reviewboard.ca/registry/project.php?project_id=69

This is a proposed development to remediate the Giant Mine site, located within the City of Yellowknife. The development includes the future disposition of 237,000 tonnes of arsenic trioxide currently stored underground and the remediation of 13.5 million tonnes of contaminated tailings covering an area of 51 hectares. It was referred to the Review Board by the City of Yellowknife.

The majority of this environmental assessment, including the entire analytical and hearing phases, were completed by early October 2012, and the Review Board began its deliberations and drafting the Report of Environmental Assessment. The Review Board re-opened the record in February and March of 2013 for an additional

information request regarding water treatment.

On June 20, 2013, the Review Board released the Report of Environmental Assessment. It contained 26 measures. These require that the project proceed as an interim solution for a maximum of 100 years instead of for perpetuity; that there be ongoing funded research into a better permanent solution; that there be an independent monitoring body; improved risk assessment and human health assessment; and, improved water treatment and management.

On December 23, 2013, the federal Minister initiated a consult-to-modify process, to modify certain measures from the Review Board's Report of Environmental Assessment. Following a working meeting with the parties, the parties submitted their comments on the Ministers' suggested modifications to the measures. The Review Board considered comments and submitted its response to the Minister of AANDC on February 12, 2014. As of March 31 2014, the Ministers are in the process of preparing their final decision.

EA0708-007: Dezé Energy Corporation – Taltson Hydroelectric Expansion Project

http://reviewboard.ca/registry/project.php?project_id=68

This proposed development adds up to 56 megawatts of power generating capacity to the Taltson Twin Gorges Plant located approximately 60 kilometers northeast of Fort Smith, NWT. The project also includes a 690-kilometer transmission line to the diamond mines. Having decided that the development might cause significant adverse impacts on the environment and might be a cause of public concern, the Mackenzie Valley Land and Water Board referred this proposed development for an environmental assessment in October 2007.

Following receipt of the Developer's Assessment Report in late March 2008, the Review Board began the information request process. Parties were asked to submit proposed information requests by June 2009. However, in response to requests from several parties, the Review board extended the deadline to July 2009. In considering the proposed information requests, the Review Board concluded that scale of the project and the complexity of the issues could best be dealt with in a technical session format.

Therefore, rather than issuing the information requests, the Review Board held a three-day facilitated information request session in Yellowknife in October 2009. Following final submissions from parties, a public hearing was held in Dettah, NT in January 2010.

After careful deliberation, the Review Board recommended approving the development with measures to mitigate environmental and cultural impacts in August 2010. These included measures to prevent increased hunting access to caribou herds, to reduce impacts to the Trudel Creek river system downstream of the generators at Twin Gorges, to prevent desecration of the spiritually important Lockhart River and Lady of the Falls.

In December 2010, the Minister of Aboriginal Affairs and Northern Development Canada, on behalf of responsible Ministers, returned the Report of Environmental Assessment to the Review Board for further consideration. The Review Board reopened the public record and asked the developer to submit a revised routing proposal. However, in March 2011, Dezé Energy requested a temporary adjournment to the environmental assessment so that it could further examine the project structures, engage communities and assess the NWT market for power. The Review Board agreed to adjourn the assessment until the developer is ready to proceed.

On July 12, 2013, the developer asked the Review Board to conclude the EA process. The Board did so on July 24, 2013.

EA0506-005: Encore Renaissance Resources Corp. (formerly Consolidated Goldwin Ventures Inc.) - Mineral Exploration Program

http://reviewboard.ca/registry/project.php?project_id=5

In September 2005, the Review Board referred this proposed diamond exploration development to environmental assessment because the proposed development might be a cause of public concern. The Review Board requested a detailed development description and issued information requests to Consolidated Goldwin Ventures rather than require the completion of a Developer's Assessment Report. Consolidated Goldwin Ventures provided responses in November 2006. The Review Board held a public hearing in Yellowknife April 3-4, 2007.

This is a complex assessment with many difficult issues, largely

related to the culturally sensitive location of the proposed activities. The issues include cultural impacts on the Yellowknives Dene First Nation, access issues and cumulative impacts arising in part from the proximity of the City of Yellowknife. After careful deliberation, the Review Board released its Report of Environmental Assessment and Reasons for Decision in late November 2007. The Review Board prescribes measures that included access by helicopter only, no construction of the new winter road proposed by the developer, and planning for the area with the input of the Yellowknives Dene First Nation to reflect its values for the area. The Review Board recommended the federal Minister allow the proposed development to proceed to the regulatory phase only with these measures to avoid or reduce the predicted impacts

On April 21, 2010 the federal and responsible ministers referred the development back to the Review Board to further consider the measures. The Review Board sent a letter advising the Minister of Indian Affairs and Northern Development that the Review Board no longer had quorum for this particular assessment and a response was received in later 2010. The Review Board then canvassed parties to the assessment to decide on the fairest way to proceed with the assessment using the current Review Board members.

Following a public hearing in September 2011, the Review Board further considered the evidence and revised most of its measures. The revisions clarify the responsibilities of government for implementing the measures, as well as the intent and desired outcomes of the original measures. The Review Board's recommendation to approve the project with the revised measures was resubmitted to the federal and responsible ministers for acceptance on November 16, 2011.

EA0506-006: Sidon International Resources Corp. - Mineral Exploration Program

http://reviewboard.ca/registry/project.php?project_id=22

This diamond exploration program was proposed near Defeat Lake, inland of the north shore of Great Slave Lake. In September 2005, the Review Board referred this proposed diamond exploration development to environmental assessment because the proposed development might be a cause of public concern. The Review Board

ran the environmental assessment concurrently with EA0506-005, Consolidated Goldwin Ventures Inc. – Mineral Exploration Program. The Review Board requested a detailed development description and issued information requests to Sidon International Resources Corp. rather than require the completion of a Developer's Assessment Report. Sidon International Resources Corp. provided responses in November 2006. A public hearing was subsequently held in Yellowknife on April 3-4, 2007.

Key issues in this environmental assessment included potential cultural impacts from disturbance to unrecorded heritage sites, disturbance of traditional harvesters, and impacts arising from increased access.

In early February 2008, the Review Board recommended the federal and responsible ministers allow the proposed development to proceed to the regulatory phase, subject to the measures the Review Board outlined in its Report of Environmental Assessment and Reasons for Decision. These measures are designed to avoid or reduce the predicted impacts and they require Sidon International Resources Corp. to investigate potential sites with an Aboriginal elder and an archaeologist, to conduct no activities within 100 meters of suspected sites, and to use helicopter access only in order to prevent the creation of new overland access routes. In May 2010, the Minister of Aboriginal Affairs and Northern Development advised the Review Board that the federal and responsible ministers needed more time to review the Review Board's report. As of March 31, 2012, the Minister's office was still preparing its response.

Completed environmental impact reviews 2013-14

The following environmental impact review status update is provided as of March 31, 2014. Please visit the public registry at reviewboard.ca for the current status of these environmental impact reviews.

ElR0607-001: De Beers Canada Mining Ltd. – Gahcho Kué Diamond Mine

http://reviewboard.ca/registry/project.php?project_id=37

The Gahcho Kué Project is a proposed diamond mine at Kennady Lake. The developer is De Beers Canada Inc. Public hearings were held in Dettah, Lutsel K'e and Yellowknife between November 30 and December 7, 2012. The public record was closed January 3, 2013.

The Panel released its Report of Environmental Impact Review and Reasons for Decision on July 19, 2013. The Report recommended that the project proceed subject to incorporation of all commitments agreed to by De Beers into the project design and implementation of measures to reduce impacts, including cumulative impacts to caribou.

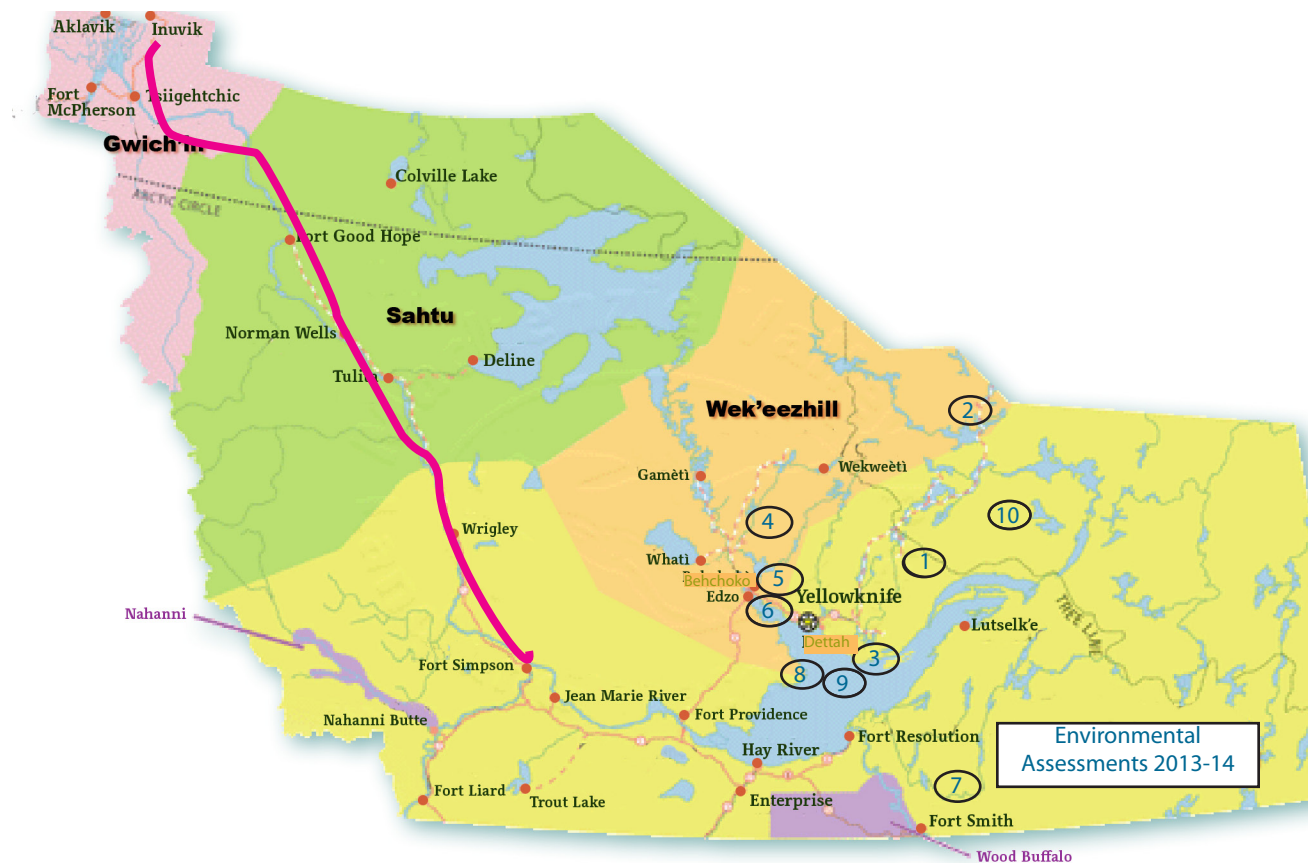
The Minister of Aboriginal Affairs and Northern Development Canada accepted the Panel's Report on October 22, 2013. The project then proceeded to the regulatory phase for approvals.



Staff facilitate the scoping session for the Jay Cardinal Project in Yellowknife.

Map of Environmental Assessments

- 1 EA 1213-002: Mackenzie Valley Highway Project- GNWT
Department of Transportation
- 1 EA 1314-02: Snap Lake Water Licence Amendment-
DeBeers Canada Inc.
- 2 EA 1314-01: Jay Cardinal Project- Dominion Diamond
Ekati Corporation
- 3 EA 1011-001: Nechalacho Rare Earth Elements Project- Avalon Rare
Metals Inc.
- 4 EA 0809-004: NICO Project-Fortune Minerals Ltd.
- 5 EA 0809-003: Yellowknife Gold Project-Tyhee NWT Corporation
- 6 EA 0809-001: Giant Mine Reclamation and Remediation Project-
Aboriginal Affairs and Northern Development Canada
- 7 EA 0708-007: Taltson Hydroelectric Expansion Project-Deze
Energy Corporation Ltd.
- 8 EA 0506-005: Mineral Exploration Program-Encore Renaissance
Resources Corp. (formerly Consolidated Goldwin Ventures Inc)
- 9 EA 0506-006: Mineral Exploration Program- Sidon
International Resources Corp.
- 10 EIR 0607-001: Gahcho Kue Diamond Mine- De Beers
Canada Inc.



Note: Graphics are not to scale and represent approximate locations.

Funding arrangements

Below is a table outlining the funding arrangements made for 2013-14 and each of the past six fiscal years between the Review Board and Aboriginal Affairs and Northern Development Canada. Note that the table does not include funding for environmental impact review nor funds that the Review Board administered for board training on behalf of the NWT Board Forum. These funds are referred to in the Financial Statements section of this report.

Fiscal Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Prior Fiscal Years 1						
Core	2,479,947	2,513,599	2,567,390	2,596,590	2,648,252	2,790,727
Supplementary Funding	500,000	N/A	N/A	559,103	155,000	NA
Deferred Contribution	614,182	750,000	683,896	119,564	263,410	NA
Total (\$)	3,594,129	3,263,599	3,251,286	3,275,257	3,066,662	2,790,727

1 - Note that the funding levels shown do not include funding provided in support of the Joint Review of the Mackenzie Gas Project, the De Beers Gahcho Kué Diamond Mine environmental impact review or other "special projects" that arose during the fiscal year that were in addition to the original work plan and expenditure plan for that fiscal year.

Strategic plan summary 2011-14

Mission:

To conduct independent, fair and timely environmental impact assessments in the Mackenzie Valley that protect the environment, including the social, economic and cultural well being of its residents.

Vision:

Working together, balancing diverse values and making wise decisions that protect the environment for present and future generations.



Financial Statements

Mackenzie Valley Environmental Impact Review Board

Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration

March 31, 2014

Mackenzie Valley Environmental Impact Review Board

Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration

For the year ended March 31, 2014

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Independent Auditors' Report

To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

We have audited the accompanying financial statements of Mackenzie Valley Environmental Impact Review Board which comprises the statement of financial position as at March 31, 2014 and the statements of operations, changes in net assets, 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 Public Sector Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility 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 require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of 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 control 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, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2014 and the results of its operations for the year then ended in accordance with Public Sector Accounting Standards for Not-for-Profit Organizations.



Mackenzie Valley Environmental Impact Review Board

Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration

For the year ended March 31, 2014

Position	Months	Salary and Benefits (Inc. IPA and VTA)		Honoraria		Total	Travel Expenses		Total	
		Operations	Gahcho Kue	Operations	Gahcho Kue		Operations	Gahcho Kue		
Elected or Appointed officials										
Board Member	9	\$ -	\$ -	\$ 48,375	\$ -	\$ 48,375	\$ 22,630	\$ -	\$ 22,630	
EIR Panel Chairperson	4	-	-	-	10,250	10,250	-	1,000	1,000	
Board Member/EIR Panel Member	12	-	-	65,250	5,438	70,688	21,725	1,943	23,668	
Board Member	12	-	-	71,718	-	71,718	2,683	-	2,683	
Board Member	12	-	-	61,125	-	61,125	18,759	-	18,759	
EIR Panel Member	4	-	-	-	7,875	7,875	-	-	-	
Board Member/EIR Panel Member	4	-	-	24,140	7,641	31,781	2,669	102	2,771	
Chairperson	12	-	-	153,750	-	153,750	19,039	-	19,039	
Board Member/EIR Panel Member	4	-	-	14,099	9,339	23,438	4,458	6,348	10,806	
Board Member	12	-	-	52,688	-	52,688	7,988	-	7,988	
		\$ -	\$ -	\$ 491,145	\$ 40,543	\$ 531,688	\$ 99,951	\$ 9,393	\$ 109,344	
Unelected Senior Officials										
Executive Director	10	\$ 118,462	\$ -	\$ -	\$ -	\$ 118,462	\$ 6,003	\$ -	\$ 6,003	
Executive Director	2	24,423	-	-	-	24,423	-	-	-	
		\$ 142,885	\$ -	\$ -	\$ -	\$ 142,885	\$ 6,003	\$ -	\$ 6,003	

Mackenzie Valley Environmental Impact Review Board

Notes to Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration

March 31, 2014

1. Basis of Presentation

The financial information reflects only the salaries, honoraria, travel expenses and other remuneration paid to the senior officials and elected officials. It does not reflect the assets, liabilities or total revenue and expenses of the Mackenzie Valley Environmental Impact Review Board.

Mackenzie Valley Environmental Impact Review Board

Schedule of NWT Board Forum Training Revenue and Expenses

March 31, 2014

Independent Auditors' Report

To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

We have audited the accompanying schedule of revenue and expenses for the Mackenzie Valley Environmental Impact Review Board's Board Forum Training Program as at March 31, 2014 and a summary of significant accounting policies (together "the schedule"). The schedule has been prepared by management based on the funding agreement (no. 1314-NT-000109) between the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development Canada.

Management's responsibility for the Schedule

Management is responsible for the preparation and fair presentation of this schedule in accordance with the funding agreement regarding the Board Forum Training between the MacKenzie Valley Environmental Impact Review Board, and the Minister of Aboriginal Affairs and Northern Development Canada relevant to preparing such a schedule, and for such internal control as management determines is necessary to enable the preparation of a schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility to express an opinion on this schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the schedule is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. 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 control 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 schedule.

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



Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report (continued)

Opinion

In our opinion, the NWT Schedule of Board Forum Training Revenue and Expenses for the year ended March 31, 2014 are prepared, in all material respects, in accordance with the funding arrangement (no. 1314-NT-000109).

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the schedule, which describes the basis of accounting. The Schedule is prepared to assist the Mackenzie Valley Environmental Impact Review Board to meet the requirements of the Minister of Aboriginal Affairs and Northern Development. As a result, the schedule may not be suitable for another purpose. Our report is intended solely for the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development and should not be distributed to parties other than the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development.

Crowe MacKay LLP

**Yellowknife, Northwest Territories
May 22, 2014**

Chartered Accountants

Mackenzie Valley Environmental Impact Review Board

Schedule of NWT Board Forum Training Revenue and Expenses

For the year ended March 31,	Budget 2014	Actual 2014
Revenue		
Aboriginal Affairs and Northern Development Canada - Board Forum Training	\$ 150,000	\$ 150,000
Expenses		
Advertising	-	851
Legal	-	48,653
Office	-	2,694
Professional fees	-	39,975
Training	150,000	50,879
Travel	-	3,413
	150,000	146,465
Excess revenue before transfer	-	3,535
Transfer to contributions repayable	-	(3,535)
Excess revenue	\$ -	\$ -

Mackenzie Valley Environmental Impact Review Board

Notes to Schedule of NWT Board Forum Training Revenue and Expenses

March 31, 2014

1. Basis of Presentation

The financial information reflects only the revenue and expenses under the NWT Board Forum Training agreement (#1314-NT-000109). It does not reflect the assets, liabilities or total revenue and expenses of the Mackenzie Valley Environmental Impact Review Board.

2. Budget

The budget figures presented are unaudited, and are those approved by the Board.

Mackenzie Valley Environmental Impact Review Board

**Schedule of Gahcho Kué DeBeers Diamond Mine Review
Revenue and Expenses**

March 31, 2014

Independent Auditors' Report

To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

We have audited the accompanying schedule of revenue and expenses of Mackenzie Valley Environmental Impact Review Board's Gahcho Kué DeBeers Diamond Mine Review, for the year ended March 31, 2014 ("the schedule"). The schedule has been prepared by management based on the funding agreement (no.1112-01-000063 amendment no. 0005) between the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development.

Management's responsibility for the Schedule

Management is responsible for the preparation and fair presentation of this schedule in accordance with the funding agreement regarding the Gahcho Kué DeBeers Diamond Mine Review between the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development relevant to preparing such a schedule, and such for internal control as management determines is necessary to enable preparation of schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the schedule is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. 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 control 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 schedule.

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



Crowe MacKay LLP
Member Crowe Horwath International
PO Box 727, 5103-51st Street
Yellowknife, NT X1A 2N5
+1.867.920.4404 Tel
+1.867.920.4135 Fax
+1.866.920.4404 Toll Free
www.crowemackay.ca

Independent Auditors' Report (continued)

Opinion

In our opinion, the Schedule of Gahcho Kué DeBeers Diamond Mine Review Revenue and Expenses for the year ended March 31, 2014 are prepared, in all material respects, in accordance with the funding arrangement (no. 1112-01-000063 amendment no. 0005).

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the schedule, which describes the basis of accounting. The schedule is prepared to assist the Mackenzie Valley Environmental Impact Review Board to meet the requirements of the Minister of Aboriginal Affairs and Northern Development. As a result the schedule may not be suitable for another purpose. Our report is intended solely for the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development and should not be distributed to parties other than the Mackenzie Valley Environmental Impact Review Board and the Minister of Aboriginal Affairs and Northern Development.

**Yellowknife, Northwest Territories
May 22, 2014**

Crowe MacKay LLP
Chartered Accountants

Mackenzie Valley Environmental Impact Review Board

Schedule of Gahcho Kué DeBeers Diamond Mine Review Revenue and Expenses

For the year ended March 31,	Budget 2014	Actual 2014	Actual 2013
Revenue			
Government of Canada Department of Aboriginal Affairs and Northern Development			
- Environmental Impact Review Panel	\$ 95,643	\$ 95,643	\$ 869,311
Deferred contribution, prior year	-	-	530
	95,643	95,643	869,841
Expenses			
Advertising	-	-	5,580
Honoraria	40,543	40,543	126,000
Hospitality	1,442	2,293	-
Legal	37,322	37,322	70,940
Office	866	866	4,587
Professional fees	3,796	3,796	174,109
Rent	-	-	62,082
Salaries and benefits	1,430	1,430	206,451
Translation	-	-	81,066
Travel	10,244	9,393	34,026
	95,643	95,643	764,841
Excess revenue (expenditure) before transfer	-	-	105,000
Transfer to core	-	-	(105,000)
Excess revenue	\$ -	\$ -	\$ -

Mackenzie Valley Environmental Impact Review Board

Notes to Schedule of Gahcho Kué Debeers Diamond Mine Review Revenue and Expenses

March 31, 2014

1. Basis of Presentation

The financial information reflects only the revenue and expenses under the Gahcho Kué DeBeers Diamond Mine Review (agreement no. 1112-01-000063 amendment no. 0005). It does not reflect the assets, liabilities or total revenue and expenses of the Mackenzie Valley Environmental Impact Review Board.

2. Budget

The budget figures presented are unaudited, and are those approved by the Board.

Mackenzie Valley Environmental Impact Review Board

Financial Statements

March 31, 2014

Mackenzie Valley Environmental Impact Review Board

Financial Statements

March 31, 2014

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Independent Auditors' Report

To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

We have audited the accompanying financial statements of Mackenzie Valley Environmental Impact Review Board which comprises the statement of financial position as at March 31, 2014 and the statements of operations, changes in net assets, 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 Public Sector Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility 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 require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of 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 control 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, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2014 and the results of its operations for the year then ended in accordance with Public Sector Accounting Standards for Not-for-Profit Organizations.



Mackenzie Valley Environmental Impact Review Board

Statement of Financial Position

As at March 31,	2014	2013
Assets		
Current		
Cash	\$ 226,947	\$ -
Term deposits	-	20,248
Accounts receivable (Note 3)	28,751	31,273
Prepaid expenses	47,845	9,776
	303,543	61,297
Capital Assets (Note 4)	13,500	17,889
	\$ 317,043	\$ 79,186

Liabilities

Current		
Bank indebtedness (Note 5)	\$ -	\$ 35,886
Accounts payable and accrued liabilities	18,399	78,062
Salaries, vacation and severance payable (Note 6)	159,934	150,530
Contributions repayable (Note 7)	3,535	56,128
Deferred contributions (note 8)	121,536	-
	303,404	320,606

Net Assets

Net assets invested in capital assets	13,500	17,889
Unrestricted net assets	139	(259,309)
	13,639	(241,420)
	\$ 317,043	\$ 79,186

Commitments (Note 9)
Contingent Liability (Note 14)

Approved on behalf of the Board

 Director

 Director

Mackenzie Valley Environmental Impact Review Board

Statement of Operations

For the year ended March 31,	Budget 2014	Actual 2014	Actual 2013
Revenue			
Government of Canada Department of Aboriginal Affairs and Northern Development			
- Claims Implementation	\$ 2,790,814	\$ 2,790,727	\$ 2,803,758
- Environmental Impact Review	95,642	95,642	764,311
- Board Forum Training	150,000	150,000	200,000
Other	4,461	4,546	118
Deferred contribution from prior year	-	-	265,076
	3,040,917	3,040,915	4,033,263
Expenses			
Administration	154,884	133,018	175,003
Communications	42,992	27,452	72,377
Honoraria	567,451	531,688	606,331
Office rent	305,269	306,024	306,222
Professional fees	459,285	425,031	1,169,265
Salaries, wages and benefits	1,031,998	1,039,020	1,523,536
Training	50,121	52,280	136,585
Travel - board	138,319	109,344	215,039
Travel - staff	31,046	32,658	62,269
	2,781,365	2,656,515	4,266,627
Excess of revenue over expenses before transfer	259,552	384,400	(233,364)
Gain (loss) on disposal of capital asset	-	120	-
Excess of revenue over expenses	259,552	384,520	(233,364)
Transfer to deferred contributions	-	(121,536)	-
Transfer to contributions repayable	-	(3,535)	(25,946)
Excess revenue (expenses)	\$ 259,552	\$ 259,449	\$ (259,310)

Mackenzie Valley Environmental Impact Review Board

Statement of Changes in Net Assets

For the year ended March 31,	Invested in capital assets	Unrestricted	2014	2013
Balance, beginning of year	\$ 17,889	\$ (259,310)	\$ (241,421)	\$ 25,312
Excess revenue (expenses)	-	259,449	259,449	(259,310)
Disposal of capital assets	-	-	-	(883)
Amortization of capital assets	(4,389)	-	(4,389)	(6,540)
Balance, end of year	\$ 13,500	\$ 139	\$ 13,639	\$ (241,421)

Mackenzie Valley Environmental Impact Review Board

Statement of Cash Flows

For the year ended March 31,	2014	2013
Cash provided by (used in)		
Operating activities		
Excess revenue (expenses)	\$ 259,449	\$ (259,310)
Items not affecting cash		
Gain on disposal of capital asset	(120)	-
Change in non-cash operating working		
Accounts receivable	2,522	16,496
Prepaid expenses	(38,069)	(8,511)
Accounts payable and accrued liabilities	(59,664)	(25,956)
Salaries, vacation and severance payable	9,404	36,586
Contributions repayable	(52,593)	25,946
Deferred contributions	121,536	(265,076)
	242,465	(479,825)
Investing activities		
Proceeds on disposal of capital asset	120	-
Change in cash position	242,585	(479,825)
Cash (bank indebtedness) position, beginning of year	(15,638)	464,187
Cash (bank indebtedness) position, end of year	\$ 226,947	\$ (15,638)
Represented by		
Cash (bank indebtedness)	\$ 226,947	\$ (35,886)
Term deposits	-	20,248
	\$ 226,947	\$ (15,638)

Mackenzie Valley Environmental Impact Review Board

Notes to the Financial Statements

March 31, 2014

1. Organization and Jurisdiction

The Mackenzie Valley Environmental Impact Review Board (the "Board") was established under the *Mackenzie Valley Resource Management Act* with a mandate to conduct environmental impact assessments in the Mackenzie Valley of the Northwest Territories.

The Board is exempt from income tax under section 149(1)(l) of the *Income Tax Act*.

2. Significant Accounting Policies

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS") as established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Revenue Recognition

The Board follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Under Public Sector Accounting Standards for Not-for-Profit Organizations, funding received for restricted purposes that has not been expended is required to be deferred. The commitments of the Board under the funding agreement have been met; any remaining balance will be applied towards the planning and carrying out of duties and responsibilities assigned to the Board under the Gwich'in Comprehensive Land Claim Agreements, Implementation Plan, and related Act(s) of Parliament.

(b) Employee Future Benefits

The Board has a defined contribution plan providing pension and post-employment benefits for its employees. The cost of the defined contribution plan is recognized based on the required contributions by the Board during each period.

Provisions has been made for the Board's liability for employee future benefits arising from services rendered by employees to the statement of financial position date. Accordingly, the Board has provided for obligations related to unused vacation and severance entitlement. The accrued amounts have been classified under accounts payable and accrued liabilities.

Mackenzie Valley Environmental Impact Review Board

Notes to the Financial Statements

March 31, 2014

2. Significant Accounting Policies (continued)

(c) Capital Assets

Purchased property and equipment is recorded in the capital asset fund at cost. Amortization is recorded in the capital asset fund using the declining balance method and the straight-line method at the annual rates set out in Note 4.

(d) Use of Estimates

The preparation of financial statements in conformity with Public Sector Accounting Standards for Not-for-Profit Organizations 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 updated amounts of revenues and expenses during the period. Actual results could differ from those estimates.

(e) Financial Instruments

Initial measurement

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly related to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Subsequent measurement

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities, and contributions repayable.

The Board has no financial instruments measured at fair value.

Impairment

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in net income.

Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal is recognized in net income.

Mackenzie Valley Environmental Impact Review Board

Notes to the Financial Statements

March 31, 2014

3. Accounts Receivable

	2014	2013
Goods and Services Tax	\$ 25,695	\$ 26,980
Other	3,056	4,293
	\$ 28,751	\$ 31,273

4. Capital Assets

				2014	2013
	Rate	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	20%	\$ 115,614	\$ 108,417	\$ 7,197	\$ 8,994
Leasehold improvements	20%	99,876	94,424	5,452	7,680
Computer hardware	3 yr S/L	34,199	33,348	851	1,215
		\$ 249,689	\$ 236,189	\$ 13,500	\$ 17,889

5. Bank Indebtedness

A demand operating loan has been authorized to a maximum of \$100,000 and bears interest at CIBC's prime lending rate plus 1.5% per annum and is secured by a general security agreement and an assignment of insurance. Secured by capital assets with a net book value of \$13,500.

6. Salaries, vacation and severance payable

	2013 Opening	Used	Additions	2014 Closing
Severance payable	\$ 49,302	\$ (12,211)	\$ 11,918	\$ 49,009
Vacation payable	69,279	(10,124)	1,966	61,121
Wages payable	31,949	(31,949)	49,804	49,804
	\$ 150,530	\$ (54,284)	\$ 63,688	\$ 159,934

During the year the Board included in the salaries, wages and benefits expense amounts of \$50,053 (2013-\$123,866) of current and future employee benefits.

Mackenzie Valley Environmental Impact Review Board

Notes to the Financial Statements

March 31, 2014

7. Contributions Repayable

	2014	2013
Aboriginal Affairs and Northern Development Canada		
- Board Forum Training	\$ 3,535	\$ 25,946
- Joint Review Panel	-	30,182
	\$ 3,535	\$ 56,128

8. Deferred Contributions

	2014	2013
Aboriginal Affairs and Northern Development Canada		
- Claims Implementation	\$ 121,536	\$ -

9. Commitments

The Board's total obligation, under an equipment operating lease and a property lease agreement, is as follows:

2015	\$ 310,678
2016	159,171
2017	7,663
	\$ 477,512

10. Related Party Transactions

During the year, honoraria and travel expenditures were paid to members of the Board of Directors. These expenditures were in the normal course of the Board's operations.

11. Pension Plan

The Board participates in the NEBS Pension Plan which is a defined contribution plan. Substantially all employees with at least one year of service are eligible to participate.

The contribution percentage to the plan is up to 16% of each employee's salary (8% from the employees and 8% from the employer).

During the year contributions made by the Board to the NEBS pension plan totaled \$45,055 (2013 - \$76,175).

Mackenzie Valley Environmental Impact Review Board

Notes to the Financial Statements

March 31, 2014

12. Budget

The budget figures presented are unaudited, and are those approved by the Board.

13. Financial Instruments

The following section describes the Board's financial risk management objectives and policies and the Board's financial risk exposures.

The Board does not have formalized financial risk management objectives and policies.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Board is exposed to credit risk in cash \$ 225,781 (2013 - \$(36,386)) as a result of having funds with a chartered bank in excess of the insurable limit. Furthermore the full balance of cash is held at one financial institution.

(b) Liquidity risk

The Board does have a liquidity risk in the accounts payable and accrued liabilities of \$18,399 (2013 - \$78,062). Liquidity risk is the risk that the Board cannot repay its obligations when they become due to its creditors. The Board reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due.

14. Contingent Liability

During the 2012 fiscal year, a former employee filed a statement of claim in the Supreme Court of the Northwest Territories against the Board for constructive dismissal. The likelihood or amount of any liability cannot be reasonably determined and as such no liability has not been accrued in these financial statements.

15. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.





Mackenzie Valley
Review Board



200 Scotia Centre
Box 938, 5102-50th Ave
Yellowknife, NT X1A 2N7

reviewboard.ca