

**Kasabonika Lake First Nation  
Consolidated Financial Statements**

*March 31, 2017*

## Kasabonika Lake First Nation Contents

*For the year ended March 31, 2017*

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## **Management's Responsibility**

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**To the Members of Kasabonika Lake First Nation:**

The accompanying consolidate financial statements of Kasabonika Lake First Nation are the responsibility of management and have been approved by the Chief and Council.

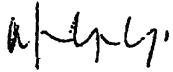
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Kasabonika Lake First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

January 23, 2018



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Financial Advisor

## Independent Auditors' Report

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To the Members of Kasabonika Lake First Nation:

We have audited the accompanying consolidated financial statements of Kasabonika Lake First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations, accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated 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 the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

### *Basis for Qualified Opinion*

Inventory consists of fuel purchased for sale to the community of Kasabonika Lake First Nation plus materials and supplies for projects and operations. We did not observe the inventory counts at the end of the year and alternative means did not provide us with the necessary assurance regarding the cost of inventory. As a result, we were unable to determine what adjustments, if any, might be necessary to assets annual surplus and accumulated surplus.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Kasabonika Lake First Nation as at March 31, 2017 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matter*

The consolidated financial statements of Kasabonika Lake First Nation for the year ended March 31, 2016 were audited by Holukoff Chiarella Chartered Professional Accountants of Winnipeg, Manitoba, Canada, prior to its merger with MNP LLP. Holukoff Chiarella Chartered Professional Accountants expressed an unqualified opinion on those statements on August 16, 2016.

Winnipeg, Manitoba

January 23, 2018

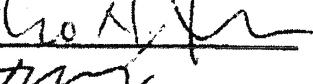
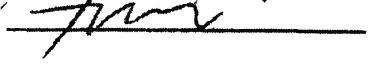
**MNP LLP**

Chartered Professional Accountants  
Licensed Public Accountants

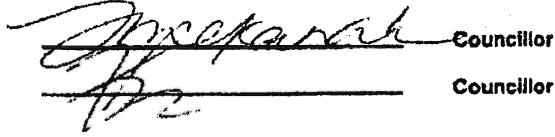
**Kasabonika Lake First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2017*

	2017	2016 (Restated)
<b>Financial assets</b>		
Cash and cash equivalents (Note 4)	5,359,963	3,418,542
Accounts receivable (Note 5)	2,161,496	1,870,828
Inventory for resale (Note 6)	547,026	98,725
Investments in Nation partnerships (Note 7)	242,096	176,197
Funds held in trust (Note 8)	14,223	13,969
<b>Total of assets</b>	<b>8,324,804</b>	<b>5,578,261</b>
<b>Liabilities</b>		
Bank indebtedness (Note 4)	-	395,000
Accounts payable and accruals (Note 9)	5,267,257	2,487,353
Due to government & other government organizations (Note 10)	109,402	-
Deferred revenue (Note 11)	2,995,803	4,650,853
Long-term debt (Note 12)	14,344,586	11,574,931
Capital lease obligations (Note 13)	802,071	818,266
<b>Total of financial liabilities</b>	<b>23,519,119</b>	<b>19,926,403</b>
<b>Net debt</b>	<b>(15,194,315)</b>	<b>(14,348,142)</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 15)	48,399,122	39,588,419
Inventories held for use	140,232	-
<b>Accumulated surplus</b>	<b>33,345,039</b>	<b>25,240,277</b>

Approved on behalf of the First Nation

Chief  
Councillor


Councillor  
Councillor

The accompanying notes are an integral part of these financial statements

**Kasabonika Lake First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017	2016 (Restated)
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	10,032,764	13,052,758	17,295,529
Fednor	17,000	-	86,155
Nav Canada	-	7,158	-
Health Canada	2,059,062	6,304,037	2,073,816
Canada Mortgage and Housing Corporation	256,057	598,148	390,163
Provincial Government	2,286,333	3,261,672	2,989,143
Sioux Lookout Area Aboriginal Board	160,966	383,606	155,541
Other revenue	1,166,999	1,525,580	1,348,468
GST and Sales Tax rebates	-	131,237	-
Investment income	-	71,305	878
Ontario First Nations Limited Partnership	1,161,401	1,175,690	1,040,480
Contributions	342,210	437,454	612,814
User fees	55,000	55,000	59,001
Nishnawbe Aski Nation	252,190	334,845	131,563
Rental income	685,852	2,081,697	2,004,912
Sales	-	2,773,086	3,339,782
Administration fees	309,929	341,799	-
Repayment of funding	-	(117,643)	-
Loss from investment in Nation business entities (Note 7)	-	(65,783)	-
Deferred revenue - prior year	171,937	2,911,947	4,723,536
Deferred revenue - current year	-	(1,430,789)	(2,911,947)
Deferred insurance proceeds	-	173,891	198,767
	<b>18,957,700</b>	<b>34,006,695</b>	33,538,601
<b>Expenses</b>			
Band Support	1,586,284	1,371,565	1,424,514
Municipal Services	2,204,697	2,415,482	2,191,606
Sineonokway Education Authority	3,840,599	4,258,575	3,259,405
Social Services	998,687	3,019,468	2,853,798
Economic Development	312,256	82,300	204,085
Capital Projects	2,522,035	942,504	850,183
Kasabonika Lake Housing Authority (CMHC)	-	565,469	530,457
Ontario First Nations Limited Partnership (Admin Acct)	-	16	149
Health Services	2,303,681	2,119,543	2,298,044
Other Programs	13,460,591	4,589,412	4,349,270
Kasabonika Lake Community Development Corporation	-	2,056,026	1,902,247
Petrokas Ltd.	-	2,315,199	2,500,905
<b>Total expenditures</b>	<b>27,228,830</b>	<b>23,735,559</b>	22,364,663
<b>Surplus before other items</b>	<b>(8,271,130)</b>	<b>10,271,136</b>	11,173,938
<b>Other income (expense)</b>			
Amortization not expensed in programs	-	(2,143,296)	(2,037,745)
Transfer from (to) replacement reserve	-	(23,078)	(3,983)
	<b>-</b>	<b>(2,166,374)</b>	(2,041,728)
<b>Surplus before transfers</b>	<b>(8,271,130)</b>	<b>8,104,762</b>	9,132,210
<b>Transfers between programs</b>	<b>174,998</b>	-	-
<b>Surplus</b>	<b>(8,096,132)</b>	<b>8,104,762</b>	9,132,210

*The accompanying notes are an integral part of these financial statements*

**Kasabonika Lake First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2017*

	2017	2016 (Restated)
<b>Accumulated surplus, beginning of year, as previously stated</b>	<b>25,260,052</b>	16,229,132
Correction of an error (Note 3)	(19,775)	(121,065)
<b>Accumulated surplus, beginning of year, as restated</b>	<b>25,240,277</b>	16,108,067
<b>Surplus</b>	<b>8,104,762</b>	9,132,210
<b>Accumulated surplus, end of year</b>	<b>33,345,039</b>	25,240,277

**Kasabonika Lake First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2017*

	<b>2017</b> <i>Budget</i>	<b>2017</b>	<b>2016</b> (Restated)
<b>Annual surplus</b>			
Purchases of tangible capital assets	-	8,104,762	9,132,210
Amortization of tangible capital assets	-	(11,562,006)	(14,887,611)
Amortization not in programs	-	608,007	667,518
Acquisition of inventories	-	2,143,296	2,037,745
	<b>(140,232)</b>		
<b>Increase in net debt</b>			
<b>Net debt, beginning of year</b>	<b>-</b>	<b>(846,173)</b>	<b>(3,050,138)</b>
	<b>-</b>	<b>(14,348,142)</b>	<b>(11,298,004)</b>
<b>Net debt, end of year</b>	<b>-</b>	<b>(15,194,315)</b>	<b>(14,348,142)</b>

**Kasabonika Lake First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2017*

	2017	2016
	<i>(Restated)</i>	
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus	8,104,762	9,132,210
Non-cash items		
Amortization	2,751,303	2,705,263
Loss from investments in commercial enterprises	40,974	-
	<b>10,897,039</b>	11,837,473
Changes in working capital accounts		
Accounts receivable	(290,668)	1,277,104
Ottawa Trust Funds	(254)	(878)
Inventory held for sale	(448,301)	315,490
Inventories held for use	(140,232)	-
Accounts payable and accruals	2,779,905	328,251
Due to government	109,402	-
Deferred revenue - current year	2,995,803	4,650,854
Deferred revenue - prior year	(4,650,854)	(6,661,209)
	<b>11,251,840</b>	11,747,085
<b>Financing activities</b>		
Advances of long-term debt	9,095,802	5,499,745
Repayment of long-term debt	(6,369,432)	(3,303,960)
Advances of capital lease obligation	224,009	481,920
Repayment of capital lease obligations	(196,919)	(161,539)
Advances (repayment) of bank indebtedness	(395,000)	230,000
	<b>2,358,460</b>	2,746,166
<b>Capital activities</b>		
Purchases of tangible capital assets	<b>(11,562,006)</b>	(14,887,611)
<b>Investing activities</b>		
Investments in Nation partnerships	(65,899)	-
Increase in advances to investments in commercial enterprises	(40,974)	-
	<b>(106,873)</b>	-
<b>Increase (decrease) in cash resources</b>	<b>1,941,421</b>	(394,360)
<b>Cash resources, beginning of year</b>	<b>3,418,542</b>	3,812,902
<b>Cash resources, end of year</b>	<b>5,359,963</b>	3,418,542

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**1. Operations**

The Kasabonika Lake First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Kasabonika Lake First Nation includes the First Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

**2. Significant accounting policies**

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

***Principles of consolidation***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities, which are recorded using the modified equity method. Trusts administered on behalf of third parties by Kasabonika Lake First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Kasabonika Lake First Nation Administration;
- Sineonokway Education Authority;
- Kasabonika Lake Housing Authority;
- Kasabonika Social Services;
- Petrokas Ltd.;
- Kasabonika Lake Construction Ltd.;
- Kasabonika Lake Community Development Corporation; and
- 846129 Ontario Inc.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Kasabonika Lake First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Asabanaka Drill Services (GP) Corporation
- Asabanaka Drill Services LP
- Wechimachida Construction Services (GP) Corporation
- Wechimachida Construction Limited Partnership
- Landmark Inn Limited Partnership

***Basis of presentation***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**2. Significant accounting policies** *(Continued from previous page)*

***Asset classification***

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

***Cash and cash equivalents***

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated operating surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

***Inventory***

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2017, the First Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

***Tangible capital assets***

Tangible capital assets are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Contributed tangible assets are recorded into revenue at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at nominal value.

Certain assets have historical or cultural value, including **works** of art, historical documents, and historical and cultural artifacts, are not recognized as tangible capital assets.

Tangible capital assets that are not yet ready for use are ready for use are recorded as construction in progress. No amortization is recorded until the asset is ready for use.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**2. Significant accounting policies (Continued from previous page)**

***Amortization***

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<b>Method</b>	<b>Rate</b>
Buildings	straight-line	10-15 years
Housing	straight-line	15 years
General equipment	straight-line	3 years
Infrastructure	straight-line	10-15 years
Vehicles and heavy equipment	straight-line	3-5 years

***Long-lived assets and discontinued operations***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using discounted future cash flows. Any impairment is included in surplus for the year.

***Revenue recognition***

***Funding***

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

***Government Transfers***

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

***Other***

Other revenue, primarily fees for service, rent, and product sales, are recognized upon transfer of the product or upon performance of the service and when collectability is reasonably assured.

***Administration fees***

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administrative fee revenue.

***Net financial assets (net debt)***

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the First Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**2. Significant accounting policies (Continued from previous page)**

***Use of estimates***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Provisions are made for slow moving and obsolete inventory.

Amortization is based on the estimated useful lives of tangible capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Deferred revenue is estimated based on management's review of revenue received, but not spent at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the annual surplus (deficit) in the periods in which they become known.

***Expense allocation***

Certain expenses which pertain to the operations as a whole have been allocated to various programs at the discretion of Chief and Council.

***Segments***

The First Nation conducts its business through 13 reportable segments (Note 17): Band support, Municipal services, Sineonokway Education Authority, Social services, Economic development, Capital projects, Kasabonika Lake Housing Authority, Ontario First Nations Limited Partnership, Health services, Other program, Kasabonika Lake Community Development Corporation, Kasabonika Lake Resources LP, and Petrokas Ltd. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in the *Significant accounting policies*.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**3: Correction of an error**

During the year, the First Nation determined that the following errors occurred in the prior year consolidated financial statements.

- Kasabonika Lake Community Development Corporation was previously recorded on the modified equity basis when it should have been consolidated
- Kasabonika Lake Construction Ltd. was previously recorded on the modified equity basis when it should have been consolidated
- Petrokas Ltd. was previously recorded on the modified equity method basis when it should have been consolidated
- Reserves were recorded as liabilities rather than as part of accumulated surplus

The First Nation has corrected the prior year presentation. As a result of these corrections, March 31, 2016 figures were adjusted as follows:

- increase of financial assets of \$1,668,220
- increase of financial liabilities of \$4,204,337
- increase of net debt of \$2,536,117
- increase of non-financial assets of \$2,639,372
- increase in annual surplus of \$43,083
- decrease in accumulated surplus, beginning of year of \$121,065
- decrease in accumulated surplus, end of year of \$19,775

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**4. Cash and cash equivalents**

	<b>2017</b>	<b>2016</b>
	(Restated)	
Unrestricted	5,201,699	3,260,279
Restricted - CMHC reserve funds	158,264	158,263
	<hr/>	<hr/>
	<b>5,359,963</b>	<b>3,418,542</b>

During the year the First Nation continued to undertake a number of capital projects. Funding requires that these funds be kept in a separate bank account and used only for the required purpose. At year end, \$3,354,787 (2016 - \$2,933,711) of cash was to be used to complete the following capital projects:

	<b>2017</b>	<b>2016</b>
Diesel upgrade	7,164	19,197
Nursing station	3,242,570	11,309
School fuel	105	52,303
Lagoon project	104,948	2,850,902
	<hr/>	<hr/>
	<b>3,354,787</b>	<b>2,933,711</b>

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Kasabonika Lake First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the reserve fund.

The First Nation has available to it the following overdraft facilities:

A \$125,000 Royal Bank of Canada revolving demand facility repayable in \$5,000 increments with interest at bank prime rate plus \$1.5%. The bank's prime rate at March 31, 2017 was 2.7% (2016 - 2.7%). The balance of the the demand facility at March 31, 2017 was \$Nil (2016 - \$125,000). Interest is charged only when the facility is used.

A \$125,000 Royal Bank of Canada revolving demand facility repayable in \$5,000 increments with interest at bank prime rate plus \$1.5%. The bank's prime rate at March 31, 2017 was 2.7% (2016 - 2.7%). The balance of the the demand facility at March 31, 2017 was \$Nil (2016 - \$125,000). Interest is charged only when the facility is used.

A \$70,000 Royal Bank of Canada revolving demand facility repayable in \$5,000 increments with interest at bank prime rate plus \$1.5%. The bank's prime rate at March 31, 2017 was 2.7% (2016 - 2.7%). The balance of the the demand facility at March 31, 2017 was \$Nil (2016 - \$70,000). Interest is charged only when the facility is used.

A \$125,000 Royal Bank of Canada revolving demand facility repayable in \$5,000 increments with interest at bank prime rate plus \$1.5%. The bank's prime rate at March 31, 2017 was 2.7% (2016 - 2.7%). The balance of the the demand facility at March 31, 2017 was \$Nil (2016 - \$75,000). Interest is charged only when the facility is used.

The above demand facilities are secured by a general security agreement, Band Council Resolutions signed by a quorum of Chief and Council authorizing the bollowings, assignment by Chief and Council of OFNLP funds to the bank, Band Council Resolution signed by a quorum of Chief and Council granting the Bank and its agents, employees, successors and assigns access to the Reserve, and an irrevocable letter of direction from the Borrower to Indigenous and Northern Affairs Canada directing the Borrower to deposit all funds received from INAC into the account(s) in the name of the Borrower.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**5. Accounts receivable**

	<b>2017</b>	<b>2016</b>
Indigenous and Northern Affairs Canada	581,370	233,984
Health Canada	74,083	-
Nishnawbe-Aski Nation	100,121	34,554
SLAAMB	124,532	55,654
Ministry of Northern Development Mines and Forestry	85,755	80,910
Trade	2,122,743	2,211,821
Members	29,433	47,749
Less: Allowance for doubtful accounts	3,118,037	2,664,672
	956,541	793,844
	<b>2,161,496</b>	<b>1,870,828</b>

**6. Inventory for resale**

	<b>2017</b>	<b>2016</b>
KCDC - Cell phones and cards	7,311	22,550
Petrokas - Fuel	539,715	76,175
	<b>547,026</b>	<b>98,725</b>

The cost of inventories recognized as an expense and included in purchases amounted to \$1,728,898 (2016 – \$1,731,922).

**7. Investments in First Nation partnerships and business entities**

The First Nation has investments in the following entities:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Other income</i>	<i>Total investment</i>
<b>First Nation Business Partnerships – Modified Equity:</b>					
Wechimachida Construction Limited					
Partnership - 99.9%	999	(1,000)	(23,279)	-	(23,280)
Wechimachida Construction Services (GP) Corporation - 100%	1,000	18,053	(2,648)	-	16,405
Asabanika Drill Services Limited	41,528	-	(37,158)	-	4,370
Partnership - 50.9%	51	-	(2,698)	-	(2,647)
Asabanika Drill Services (GP) Corporation - 51%	215,939	6,500	-	24,809	247,248
 	<b>259,517</b>	<b>23,553</b>	<b>(65,783)</b>	<b>24,809</b>	<b>242,096</b>
 <b>2016</b>					
<b>First Nation Business Partnerships – Modified Equity:</b>					
Landmark Inn LP - 8.33%	176,197	-	-	-	176,197

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**8. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	<b>2017</b>	<b>2016</b>
<b>Capital Trust</b>		
Balance, beginning and end of year	828	828
<b>Revenue Trust</b>		
Balance, beginning of year	13,141	12,263
Interest	254	878
Balance, end of year	<u>13,395</u>	13,141
	<u>14,223</u>	13,969

The Trust Funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

**9. Accounts payable and accruals**

	<b>2017</b>	<b>2016</b>
Trade payables	5,188,883	2,394,363
Salaries and benefits	78,374	92,991
	<u>5,267,257</u>	2,487,354

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**10. Due to government and other government organizations**

The following amounts are due to government agencies as a result of unspent funding at year end and prior periods:

	<b>2017</b>	2016
<b>Indigenous and Northern Affairs Canada</b>		
Social Assistance Employment and Training	9,919	-
<b>Health Canada</b>		
Child Oral Health Initiative	607	-
Public Health	6,795	-
Planning and response	2,000	-
Dental treatment	17	-
Capital investments	690	-
Respite services	25,611	-
Communicable Diseases Emergency	2,000	-
	37,720	-
<b>Ministry of Education</b>		
Community Social Day Care	15,055	-
<b>Ministry of Community and Social Services</b>		
Welfare Administration	39,978	-
<b>Nishnawbe-Aski Nation</b>		
Crisis Team	5,490	-
Fetal Alcohol Syndrome	24	-
Family Well-Being	1,216	-
	6,730	-
	<b>109,402</b>	-

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**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

**11. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
INAC - Instructional Services	-	2,658,700	2,606,500	52,200
INAC - Counselling	-	222,600	55,901	166,699
FNIH - NNADAP	-	423,901	419,331	4,570
FNIH - Health Service/Health Promotion	-	206,094	157,085	49,009
FNIH - Suicide Prevention	-	21,072	18,234	2,838
FNIH - Brighter Futures	-	110,299	109,218	1,081
FNIH - Building Healthy Communities	-	101,657	99,927	1,730
FNIH - Aboriginal Diabetes Initiative	-	79,931	78,820	1,111
FNIH - Management and Support	-	88,526	87,481	1,045
FNIH - Early Childhood Development	-	160,121	150,701	9,420
FNIH - Health Planning Management and Governance	-	63,000	-	63,000
FNIH - Nutrition North	-	16,750	6,585	10,165
Mining Sector Business Advisor	83,623	-	83,623	-
INAC - Lagoon Project	2,711,759	2,448,554	5,160,313	-
INAC - Governance	18,733	35,000	30,357	23,376
INAC - Resource Policy Project	28,251	-	1,869	26,382
INAC - Governance Capacity Development	69,581	-	18,875	50,706
INAC - Winter Road Realignment	-	83,939	-	83,939
NOHFC - Winter Road Realignment	-	98,000	-	98,000
INAC - Immediate Needs New Housing	-	808,272	482,296	325,976
INAC - Immediate Needs Renovations	-	350,000	188,619	161,381
INAC - Immediate Needs Capacity	-	130,000	-	130,000
CMHC - AHP Rent R&R	-	24,000	16,000	8,000
Minerals program	-	181,129	134,974	46,155
INAC - Resource Business Structure	-	160,000	48,995	111,005
INAC - New School Feasibility Study	-	85,000	35,051	49,949
INAC - RBC Decommissioning Project	-	325,000	319,749	5,251
KCDC Deferred Insurance Proceeds	1,738,906	-	173,891	1,565,015
	<b>4,650,853</b>	<b>8,881,545</b>	<b>10,484,395</b>	<b>3,048,003</b>

**12. Long-term debt**

	<i>2017</i>	<i>2016</i>
CMHC mortgage payable with payments of \$4,261 per month including interest at 1.14% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on seven units housing with a net book value of \$763,669. Due June 2021.	673,013	715,974
CMHC mortgage payable with payments of \$5,489 per month including interest at 2.11% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on eight units housing with a net book value of \$1,707,054. Due January 2019.	927,053	973,071
CMHC mortgage payable with payments of \$2,039 per month including interest at 2.35% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on six units housing with a net book value of \$1,006,694. Due September 2018.	332,619	349,167

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**12. Long-term debt (Continued from previous page)**

CMHC mortgage payable with payments of \$8,647 per month including interest at 1.83% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on ten units housing with a net book value of \$1,149,698. Due December 2019.	1,562,371	1,637,132
CMHC mortgage payable with payments of \$3,124 per month including interest at 1.43% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on four units housing with a net book value of \$685,550. Due April 2022.	652,837	680,158
CMHC mortgage payable with payments of \$3,138 per month including interest at 1.05% per annum. Secured by a ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on four units housing with a net book value of \$745,200. Due April 2020.	772,582	802,031
Royal Bank of Canada non-revolving term loan with payments of \$12,805 per month including interest at 5.20% per annum. Secured by general security agreement. Due July 2017.	337,208	469,635
Royal Bank of Canada non-revolving term loan with payments of \$3,101 per month including interest at bank prime plus 2.0%. Secured by general security agreement. Due December 2017.	236,377	261,763
Royal Bank of Canada non-revolving term loan with payments of \$139,652 per month including interest at bank prime plus 2.80%. Secured by general security agreement. Due January 2018.	1,361,405	1,200,000
Royal Bank of Canada non-revolving term loan with payments of \$42,862 per month including interest at bank prime plus 3.50%. Secured by general security agreement and an assignment of OFNLP revenues. Due March 2018.	5,764,572	-
Royal Bank of Canada non-revolving term loan with payments of \$33,739 per month including interest at bank prime plus 3.90%. Secured by general security agreement and an assignment of OFNLP revenues. Due November 2019.	1,724,549	-
Royal Bank demand term loan	-	4,486,000
	<b>14,344,586</b>	<b>11,574,931</b>

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Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	Principal	Interest	Total
2018	2,432,473	393,953	2,826,426
2019	1,108,522	321,958	1,430,480
2020	1,043,462	284,602	1,328,064
2021	1,025,025	251,790	1,276,815
2022	893,933	219,058	1,112,991
	<hr/>	<hr/>	<hr/>
	6,503,415	1,471,361	7,974,776
	<hr/>	<hr/>	<hr/>
Thereafter	7,841,171	1,099,416	8,940,587

Interest on long-term debt amounted to \$353,881 (2016 - \$196,748)

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**13. Capital lease obligations**

	<b>2017</b>	<b>2016</b>
Royal Bank of Canada capital lease, repayable at \$2,476 per month including interest at 4.8283% per annum. Secured by two Thunderbird school buses with a net book value of \$nil. Due February 2019.	<b>54,314</b>	80,741
Royal Bank of Canada capital lease, repayable at \$2,385 per month including interest at 4.7876% per annum. Secured by Freightliner septic truck with a net book value of \$nil. Due February 2018.	<b>25,626</b>	52,341
Royal Bank of Canada capital lease, repayable at \$1,535 per month including interest at 4.8281% per annum. Secured by EMS van with a net book value of \$nil. Due March 2019.	<b>35,074</b>	51,396
Royal Bank of Canada capital lease, repayable at \$2,834 per month including interest at 4.758% per annum. Secured by Ford F750 water truck with a net book value of \$86,639. Due December 2019.	<b>87,562</b>	116,698
Royal Bank of Canada capital lease, repayable at \$4,328 per month including interest at 4.749% per annum. Secured by John Deere 624K loader with a net book value of \$132,335. Due March 2020.	<b>145,420</b>	189,050
Royal Bank of Canada capital lease, repayable at \$3,790 per month including interest at 3.649% per annum. Secured by Crawler tractor 650K with a net book value of \$118,370. Due March 2019.	<b>87,606</b>	129,090
Royal Bank of Canada capital lease, repayable at \$4,216 per month including interest at 4.937% per annum. Secured by Caterpillar excavator with a net book value of \$201,608. Due March 2022.	<b>224,009</b>	-
Royal Bank of Canada capital lease, repayable at \$4,245 per month including interest at 4.651% per annum. Secured by fuel truck with a net book value of \$133,736. Due March 2020.	<b>142,460</b>	185,745
<u>Royal Bank of Canada capital lease.</u>	<u>-</u>	<u>13,205</u>
	<b>802,071</b>	<b>818,266</b>

Minimum lease payments related to the obligations under capital lease are as follows:

2018	307,320
2019	278,603
2020	178,970
2021	50,588
2022	50,588
	<hr/>
	866,069
Less: imputed interest	<hr/>
	63,998
	<hr/>
Balance of obligation	802,071
Less: current portion	<hr/>
	307,320
	<hr/>
	494,751

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**14. Contingent liabilities**

The First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements. If the First Nation's program spending exceeds the funding provided, the First Nation is also liable to cover these excess costs.

**15. Tangible capital assets**

The consolidated schedule of tangible capital assets (Schedule 1) presents all balances and charges in the year relating to the tangible capital assets owned by the First Nation.

Buildings includes construction in progress with a carrying value of \$25,716,070 (2016 - \$16,553,893). No amortization of these assets have been recorded during the year because they are currently under construction.

**16. Reserves**

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the Nation established the following:

- A replacement reserve, established by an annual allocation of \$45,040, to ensure replacement of buildings financed by CMHC. At March 31, 2017, \$158,264 has been set aside to fund this reserve. The reserve is fully funded.
- A subsidy surplus reserve established by retaining excess federal assistance payments received to a maximum of \$94 per unit, plus interest. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

**17. Segments**

The First Nation has eleven reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- Administration - includes administration, governance activities, and band operations
- Municipal Services - includes activities for the operation and maintenance of the First Nation's infrastructure
- Sineonokway Education Authority - includes activities delivering education and student success programming
- Social Services - includes activities delivering social and employment assistance programming
- Economic Development - activities to increase economic activities for the First Nation
- Capital Projects - includes capital construction project activities for the First Nation
- Housing Authority (CMHC) - includes activities operating the First Nation's housing under CMHC's s.95 subsidy program
- Health - includes the operations of the nursing station
- Other programs - includes activities related to the ongoing cultural and social activities of the First Nation
- KCDC - includes activities relating to the small business centre and other community development activities
- Petrokas - includes activities related to providing fuel for the community

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 2.

**Kasabonika Lake First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2017*

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**18. Government transfers**

During the year, the First Nation recognized the following government transfers:

	<b>2017</b>	<b>2016</b>
Indigenous and Northern Affairs Canada	<b>13,052,758</b>	17,295,529
Fednor	-	86,155
Nav Canada	7,158	-
First Nations and Inuit Health	<b>6,304,037</b>	2,073,816
Canada Mortgage and Housing Corporation	<b>598,148</b>	390,163
Ministry of Northern Development, Mines and Forestry	<b>133,168</b>	209,990
Ministry of Community and Social Services	<b>2,486,156</b>	2,175,366
Ministry of Indigenous Relations and Reconciliation	90,000	215,019
Ministry of Education	<b>266,257</b>	234,486
Ministry of Health and Long-Term Care	<b>137,061</b>	130,880
Ministry of Transportation	2,200	-
Northern Ontario Heritage Fund Corporation	<b>146,829</b>	23,402
	<hr/> <b>23,223,772</b>	<hr/> <b>22,834,806</b>

**19. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Kasabonika Lake First Nation.

**20. Economic dependence**

Kasabonika Lake First Nation receives substantially all of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

**21. First Nations Financial Transparency and Accountability Act**

The First Nation is required by the First Nations Financial Transparency and Accountability Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous and Northern Affairs Canada by July 29, 2017. As the audit report date is after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

**22. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

**Kasabonika Lake First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2017*

	<i>Equipment</i>	<i>Vehicles</i>	<i>Buildings and improvements</i>	<i>Infrastructure</i>	<i>Housing</i>	2017	2016
<b>Cost</b>							
Balance, beginning of year	2,588,523	2,677,600	19,853,690	9,980,095	7,217,206	42,317,114	33,658,166
Acquisition of tangible capital assets	294,190	93,634	2,011,605	-	-	2,399,429	8,658,458
Construction-in-progress	-	-	25,716,070	-	-	25,716,070	16,553,893
Capital contributions	-	-	(783,909)	(240,993)	-	(1,024,902)	(1,024,902)
Balance, end of year	<b>2,882,713</b>	<b>2,771,234</b>	<b>46,797,456</b>	<b>9,739,102</b>	<b>7,217,206</b>	<b>69,407,711</b>	<b>57,845,615</b>
<b>Accumulated amortization</b>							
Balance, beginning of year	1,515,671	2,322,924	5,564,161	5,837,167	3,017,363	18,257,286	15,551,933
Annual amortization	360,846	176,095	1,298,239	438,309	477,814	2,751,303	2,705,263
Balance, end of year	<b>1,876,517</b>	<b>2,499,019</b>	<b>6,862,400</b>	<b>6,275,476</b>	<b>3,495,177</b>	<b>21,008,589</b>	<b>18,257,196</b>
<b>Net book value of tangible capital assets</b>	<b>1,006,196</b>	<b>272,215</b>	<b>39,935,056</b>	<b>3,463,626</b>	<b>3,722,029</b>	<b>48,399,122</b>	<b>39,588,419</b>
2016							
Net book value of tangible capital assets restated	1,072,852	354,676	30,059,113	3,901,935	4,199,843	39,588,419	

**Kasabonika Lake First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2017*

	<b>2017 Budget</b>	<b>2017</b>	<b>2016 (Restated)</b>
<b>Consolidated expenses by object</b>			
Cost of Sales	-	1,728,898	1,731,922
Administration	(134,014)	9,242	(433,084)
Amortization	-	608,007	667,518
Automotive	210,850	366,738	304,232
Bad debts (recovery)	-	278,193	21,519
Bank charges and interest	50,001	66,724	90,090
Funeral	90,000	171,422	142,566
Chief and council	350,720	368,918	440,815
Community donations	104,973	125,200	192,392
Consulting	1,307,635	180,186	677,130
Contracted services	10,602,307	513,216	247,399
Economic	-	-	35,000
Community events	126,100	14,455	234,192
Furniture and equipment	66,338	30,149	53,782
GST and Sales tax	-	28,776	(135,649)
Honouraria	70,973	77,003	84,072
Insurance	449,949	661,006	617,504
Interest on long-term debt	134,956	353,881	196,748
Management fees	21,758	33,160	189,910
Food and beverage	229,891	221,092	155,468
Medical supplies and prescriptions	48,768	33,140	61,615
Meeting	33,795	5,957	14,599
Miscellaneous	55,244	(28,907)	68,525
Cultural	43,778	198,280	45,580
Office rent	126,800	72,683	119,500
Office supplies	192,503	238,180	203,782
Pension	127,332	204,600	207,298
Septic waste hauling	130,000	211,530	333,886
Professional fees	384,891	529,884	426,678
Program expense	720,825	666,663	299,276
Purchases	-	647,971	503,612
Rent	341,340	502,091	381,564
Repairs and maintenance	425,695	693,945	880,130
Renovation materials	285,488	588,539	-
Materials	360,628	589,613	735,225
Salaries and benefits	6,493,522	7,005,571	6,745,474
Social assistance	-	2,036,643	1,849,182
Payroll costs	488,114	345,293	304,330
Student awards	62,155	62,656	91,749
Supplies	305,366	476,457	622,298
Telephone	98,350	153,854	103,645
Training	334,309	163,581	344,774
Transportation	320,823	184,759	238,836
Travel	539,560	620,125	667,531
Utilities	828,698	970,266	814,816
Advertising	6,500	15,821	6,240
Vehicle	166,831	135,562	164,842
Garbage haul	191,059	38,000	54,000
Heating fuel	404,000	394,120	469,493
HE Reserve	25,240	85,390	1,763
Research and development	-	2,158	9,473
Contingency	4,779	9,828	35,941
Replacement reserve	-	45,040	45,480
	<b>27,228,830</b>	<b>23,735,559</b>	<b>22,364,663</b>

**Kasabonika Lake First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers	Current Surplus (Deficit)
<b>Band Support</b>							
Band Support Departments #10 & #11	730,602	320,758	-	1,051,360	902,217	(40,902)	108,241
Band Employee Benefits Department #15	204,600	-	-	204,600	204,600	-	-
Band Employee Benefits Administration Department #15	3,100	-	-	3,100	2,817	-	283
Events Department #10	446	-	-	446	446	-	-
Insurance Department #13	-	341,799	-	341,799	261,485	-	80,314
	938,748	662,557	-	1,601,305	1,371,565	(40,902)	188,838
<b>Municipal Services</b>							
Public Works Education Department #910	1,126,010	69,596	-	1,195,606	1,194,949	-	657
Public Works First Nation Department #900	1,159,323	69,920	-	1,229,243	1,220,533	-	8,710
	2,285,333	139,516	-	2,424,849	2,415,482	-	9,367
<b>Sineonokway Education Authority</b>							
Instruction Department #310	2,658,700	131,186	-	2,789,886	2,594,875	(98,550)	96,461
Special Education - High Cost Department #320	592,399	-	-	592,399	592,472	-	(73)
Enhanced Teacher Salaries Department #315	117,400	-	-	117,400	118,196	-	(796)
New Paths - School Effectiveness Department #310	196,100	-	-	196,100	196,100	-	-
Parental/Community Engagement Department #310	15,000	-	-	15,000	15,000	-	-
School Breakfast Program Department #360	-	113,500	-	113,500	116,958	3,818	360
Teacher Recruitment-Retention Department #310	80,000	-	-	80,000	80,000	-	-
First Nation Student Success Program Department #345	-	171,625	-	171,625	171,862	-	(237)
Student Transportation Department #330	55,962	-	-	55,962	154,511	98,550	1
Counselling Department #340	222,600	-	(166,699)	55,901	55,901	-	-
Wahsa Distance Education NNEC Department #380	-	36,720	-	36,720	42,237	-	(5,517)
Ed - Pension Department #350	-	-	-	-	105,354	105,354	-
Youth Life Promotion Department #341	-	15,109	-	15,109	15,109	-	-
	3,938,161	468,140	(166,699)	4,239,602	4,258,575	109,172	90,199

**Kasabonika Lake First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers	Current Surplus (Deficit)
<b>Social Services</b>							
General Welfare Assistance Departments SS#500, SS#510, SS#520, SS#530, SS#540 and SS#550	92,200	1,957,233	-	2,049,433	2,050,175	-	(742)
Welfare Administration Department #600	225,600	636,050	-	861,650	818,752	-	42,898
Homemakers Department #660	10,500	43,648	-	54,148	55,609	-	(1,461)
Community Support Department #670	-	93,413	-	93,413	94,932	-	(1,519)
	<b>328,300</b>	<b>2,730,344</b>	-	<b>3,058,644</b>	<b>3,019,468</b>	-	<b>39,176</b>
<b>Economic Development</b>							
Economic Development Department #600	82,300	-	-	82,300	82,300	-	-
	<b>82,300</b>	<b>-</b>	<b>-</b>	<b>82,300</b>	<b>82,300</b>	<b>-</b>	<b>-</b>
<b>Capital Projects</b>							
Minor Capital Housing Department #1200	746,236	-	-	746,236	-	(746,236)	-
Mattagami Modular Units Project Department #1534	-	-	-	-	-	38,958	38,958
Housing Service Delivery Department #1210	-	66,601	-	66,601	218,931	152,923	593
CMHC Repairs and Renovations Department #1540	-	16,312	-	16,312	19,535	-	(3,223)
Accelerated Housing Project - Phase 2 Department #1535	-	-	-	-	-	116,869	116,869
AHP-PH2 Rentals Department #40	-	36,151	-	36,151	44,215	-	(8,064)
Major Housing Renovations Department #1224	49,550	72,281	-	121,831	595,238	472,571	(836)
Infrastructure B Projects Department #1229	-	-	-	-	64,585	64,742	157
	<b>795,786</b>	<b>191,345</b>	-	<b>987,131</b>	<b>942,504</b>	<b>99,827</b>	<b>144,454</b>

**Kasabonika Lake First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers	Current Surplus (Deficit)
<b>Kasabonika Lake Housing Authority (CMHC)</b>							
SEVEN UNITS, IAD JUNE 1, 2006, CMHC No. 22-198-246-001 Department #120 - CMHC	-	91,260	-	91,260	91,609	-	(349)
EIGHT UNITS SENIORS, IAD NOVEMBER 1, 2008, CMHC No. 22-198-246-002 Department #130 - CMHC	-	110,367	-	110,367	112,314	-	(1,947)
SIX UNITS, IAD JULY 1, 2008, CMHC No. 22-198-246-003 Department #140 - CMHC	-	58,300	-	58,300	58,942	-	(642)
TEN UNITS, IAD OCTOBER 1, 2009, CMHC No. 22-198-246-004 Department #150 - CMHC	-	169,187	-	169,187	172,549	-	(3,362)
FOUR UNITS, IAD MARCH 1, 2012, CMHC No. 22-198-246-005 Department #160 - CMHC	-	66,438	-	66,438	66,106	-	332
FOUR UNITS, IAD APRIL 2, 2015, CMHC No. 22-198-246-006 Department #170 - CMHC	-	64,324	-	64,324	63,949	-	375
	-	559,876	-	559,876	565,469	-	(5,593)
<b>Ontario First Nations Limited Partnership</b>							
Ontario First Nations Limited Partnership Department #25	-	1,175,690	-	1,175,690	16	(1,175,674)	-
	-	1,175,690	-	1,175,690	16	(1,175,674)	-

**Kasabonika Lake First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers	Current Surplus (Deficit)
<b>Health Services</b>							
Health Service/Health Promotion Department #842	206,094	(49,009)	157,085	157,084	-	-	1
Youth Suicide Prevention Department #805	21,072	(2,838)	18,234	18,234	-	-	-
NNADAP/Prevention Department #818	423,901	(4,570)	419,331	419,332	-	-	(1)
Brighter Futures Department #810	110,299	(1,081)	109,218	109,217	-	-	1
Building Healthy Communities Department #812	101,657	(1,730)	99,927	99,926	-	-	1
Aboriginal Diabetes Initiative Department #820	79,931	(1,111)	78,820	78,819	-	-	1
Management and Support Department #862	89,127	(1,045)	88,082	88,081	-	-	1
Operations and Maintenance Department #840	216,908	-	216,908	220,429	-	-	(3,521)
Oral Health Strategy Department #846	6,864	-	6,864	6,323	-	-	541
Off Reserve Non-Registered Members Medical Expenses Department #866	-	-	-	33,140	32,382	-	(758)
Patient Transportation/Non-Insured Health Benefits Department #850	92,620	-	92,620	93,729	-	-	(1,109)
Early Childhood Development Department #801	160,121	(9,420)	150,701	149,981	-	-	720
Home Community Care/Home Support Department #844	196,659	-	196,659	195,837	-	-	822
Communicable Disease Emergency Department #847	2,000	-	2,000	-	-	-	2,000
Security Services Department #864	131,670	-	131,670	129,768	-	-	1,902
Capital Investments Department #853	4,310,425	-	4,310,425	-	-	-	4,310,425
Health Planning Management and Governance Department #867	63,000	(63,000)	-	-	-	-	-
HC - Nutrition North Department #822	16,750	(10,165)	6,585	6,585	-	-	-
Respite Services Department #845	45,600	-	45,600	19,989	-	-	25,611
HC Capital Purchase Department #851	29,940	-	29,940	29,940	-	-	-
Crisis Team Department #700	63,090	-	63,090	57,600	-	-	5,490
Fetal Alcohol Syndrome - Fetal Alcohol Effects Department #710	23,776	-	23,776	23,753	-	-	23
Healthy Babies/Healthy Children Department #720	44,697	-	44,697	44,647	-	-	50
NAN Land Based Healing Department #730	70,000	-	70,000	70,000	-	-	-
NAN - Family Well Being Program Department #731	59,241	-	59,241	15,473	-	-	43,768
NAN FIRF Child Prevention Department #732	51,487	-	51,487	51,656	-	-	(169)
	6,616,929	(143,969)	6,472,960	2,119,543	32,382	-	4,385,799

**Kasabonika Lake First Nation**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2017*

	INAC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Transfers	Current Surplus (Deficit)
<b>Other Programs</b>							
Winter Road Department #55	75,281	133,168	-	208,449	307,837	-	(99,388)
Equipment Leasing Department #12	-	192,984	-	192,984	26,891	-	166,093
Community Activities Department #20	17,384	9,522	-	26,906	385,794	299,446	(59,442)
Community Social Day Care Department #790	28,400	295,626	-	324,226	309,170	-	15,056
Heavy Equipment Department #980	-	585,314	-	585,314	548,990	-	36,324
Wood Supply Department #58	-	23,250	-	23,250	23,110	-	140
Hydro Services Department #40	-	25,210	-	25,210	19,991	-	5,219
Petrogas Payroll/Fuel Subsidy Department #510	-	166,353	-	166,353	154,817	-	11,536
Major Capital Projects Coordinator Department #3000	-	99,103	-	99,103	107,001	-	(7,898)
National Child Benefit Department #1020	137,300	-	-	137,300	133,515	(3,818)	(33)
Remote Electrification Readiness Program Department #44	-	53,929	-	53,929	37,113	-	16,816
New Relationship Fund Department #2570	-	90,000	-	90,000	88,238	-	1,762
Mining Sector Business Advisor Department #2574	-	-	83,623	83,623	52,457	-	31,166
Lagoon Project Department #3080	2,448,554	-	2,711,760	5,160,314	-	64,000	5,224,314
Material Consignment Contract Department #2060	-	1,495	-	1,495	-	-	1,495
Garbage Haul Department #930	-	53,000	-	53,000	36,341	-	16,659
Diesel Upgrad Construction Phase Department #3105	-	60,000	-	60,000	-	-	60,000
Governance Department #206	35,000	-	(4,643)	30,357	30,356	-	1
Resource Policy Project Department #2572	-	-	1,869	1,869	1,869	-	-
Wawakapewin Winter Road Department #60	-	176,650	-	176,650	50,333	-	126,317
SLAAMB Plumbing Department #2000	-	111,084	-	111,084	104,810	-	6,274
Comprehensive Community Planning Project Department #3001	-	-	18,854	18,854	18,853	-	1
Capital Projects Local Content Department #3081	-	4,020	-	4,020	1,400	-	2,620
Winter Road Re-alignment (Nibinamek) Department #56	83,939	98,000	(181,939)	-	-	-	-
Debt Consolidation Department #16	-	-	-	-	23,025	134,956	111,931
Climate Change Department #46	-	7,445	-	7,445	7,445	-	-
Nav Canada Bruch Cut Department #531	-	7,158	-	7,158	5,618	-	1,540
Hockey & Hunting Department #1033	-	18,386	-	18,386	1,748	-	16,638
AHP Loan Department #1201	-	-	-	-	144,729	430,560	285,831
INAC Immediate Needs New Housing Department #1232	808,272	-	(325,976)	482,296	482,296	-	-
INAC Immediate Needs Renovations Department #1233	350,000	-	(161,381)	188,619	188,619	-	-
INAC Immediate Needs Capacity Department #1234	130,000	-	(130,000)	-	-	-	-
AM Renovations Department #1235	-	43,993	-	43,993	43,992	-	1
CMHC Interns Department #1541	-	9,450	-	9,450	9,556	-	(106)
AHP Rent &R Department #1542	-	24,000	(8,000)	16,000	16,000	-	-
CMHC On Reserve Retrofit Initiative Department #1543	-	113,955	-	113,955	112,606	9,897	11,246
CMHC RRAP Department #1544	-	76,374	-	76,374	76,185	-	189
SLAAMB Youth At Risk Department #2002	-	156,571	-	156,571	147,325	-	9,246
SLAAMB EI Various Programs Department #2003	-	24,760	-	24,760	18,758	-	6,002
SLAAMB Other Department #2004	-	9,920	-	9,920	9,060	-	860
KLCDC Small Business Centre and Motel Department #2230	-	730	-	730	-	-	730
Minerals Program Department #2500	-	181,128	(46,155)	134,974	134,974	-	-
Resource Business Structure Department #2502	160,000	-	(111,005)	48,995	89,149	40,154	-
Water Power PH2 EA Mapping Department #2576	-	6,950	-	6,950	4,691	-	2,259
New School Feasibility Study Department #3018	85,000	-	(49,929)	35,071	35,070	-	1
RBC Decommissioning Project Department #3082	325,000	-	(5,251)	319,749	319,749	-	-
Gravel Haul Department #3165	-	175,888	-	175,888	279,931	-	(104,043)
	4,684,130	3,035,617	1,791,827	9,511,574	4,589,412	975,195	5,897,357

**Kasabonika Lake First Nation**  
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<b>KCDC</b>							
Internet and Cellphone Enterprises Department #15 KCDC	-	215,214	-	215,214	172,154	-	43,060
Building Rental and Administration Department #20 KCDC	-	568,707	-	568,707	746,330	-	(177,623)
Catering Department #21 KCDC	-	276,661	-	276,661	739,772	-	(463,111)
Hotel Department #23 KCDC	-	553,716	-	553,716	397,770	-	155,946
	1,614,298	-	1,614,298	2,056,026	-	(441,728)	
<b>Petrokas</b>							
Petrokas	-	2,278,466	-	2,278,466	2,315,199	-	(36,733)
	<b>13,052,758</b>	<b>19,472,778</b>	<b>1,481,150</b>	<b>34,006,695</b>	<b>23,735,559</b>	<b>-</b>	<b>10,271,136</b>