

**Keeseeckoose First Nation  
Consolidated Financial Statements  
March 31, 2016**

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**Keeseekoose First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2016*

To the Members of Keeseekoose First Nation:

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) and the reporting requirements of the funding agreement with Indigenous and Northern Affairs Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters, and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

MNP LLP, an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

(signature on file)  
Keeseekoose First Nation

January 25, 2017  
Date

## Independent Auditors' Report

To the Members of Keesekoose First Nation:

We have audited the accompanying consolidated financial statements of Keesekoose First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, 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 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*

The audit report for the consolidated financial statements for March 31, 2015 indicated that the completeness of accounts receivable, accounts payable, and tangible capital assets could not be verified. Since opening balances affect the determination of the results of operations and cash flows for the current year, we were unable to determine whether adjustments to the results of operations and cash flows might be necessary for the year ended March 31, 2016. Further, the audit report for the consolidated financial statements for March 31, 2015 was qualified as the classification of expenses could not be verified. Our opinion on the current year's financial statements is also modified because of the possible effects of these matters on the comparability of the current year's figures and the corresponding information.

As a result of deficiencies in the accounting system, we were unable to obtain appropriate audit evidence about the occurrence and classification of expenses. Consequently, we were unable to determine whether any adjustments to the amounts reported for expenses were necessary.

We were unable to observe sufficient evidence of the review and approval of Keesekoose First Nation's budget. Therefore, we were unable to determine whether adjustments to budgeted operations or budgeted changes in net debt might be necessary to present these figures as originally planned in the consolidated financial statements.

### *Qualified Opinion*

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly, in all material respects, the financial position of Keesekoose First Nation as at March 31, 2016 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 Keesekoose First Nation for the year ended March 31, 2015 were reported on by another auditor who expressed a qualified opinion on those financial statements on August 10, 2015.

Prince Albert, Saskatchewan

January 25, 2017

*MNP LLP*

Chartered Professional Accountants

**MNP**

**Keeseekoose First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2016*

	2016	2015
	Restated	(note 17)
<b>Financial Assets</b>		
Restricted cash - capital projects (Note 3)	\$ 22,990	\$ 61,294
Restricted cash - CMHC reserves (Note 3)	257,655	195,819
Trust funds held by federal government (Notes 3 and 4)	35,282	70,935
Accounts receivable (Note 5)	28,599	159,892
Portfolio investments (Note 6)	336,673	395,659
<u>Due from related entities (Note 7)</u>	<u>-</u>	<u>682,956</u>
	681,199	1,566,555

**Liabilities**

Bank indebtedness (Note 3 and 8)	336,532	1,029,850
Reserves - for investment losses (Note 9)	-	484,416
Short-term financing	-	160,000
Accounts payable (Note 10)	1,634,294	1,549,119
Deferred revenue - unexpended funds (Note 11)	235,060	39,935
Deferred revenue (Note 12)	22,904	61,293
Current portion of long-term debt (Note 13)	528,800	699,190
Current portion of CMHC mortgages (Note 14)	211,509	219,486
Long-term debt (Note 13)	4,237,520	4,522,820
<u>CMHC mortgages (Note 14)</u>	<u>2,613,665</u>	<u>2,657,061</u>
	9,820,284	11,423,170
<b>Net debt</b>	<b>(9,139,085)</b>	<b>(9,856,615)</b>

**Non-financial Assets**

Capital assets (Note 15)	24,966,331	25,777,330
<b>Accumulated Surplus (Note 16)</b>	<b>\$ 15,827,246</b>	<b>\$ 15,920,715</b>

**Approved on behalf of the Keeseekoose First Nation:**

(signature on file) \_\_\_\_\_

**Councilor**

(signature on file) \_\_\_\_\_

**Councilor**

**Keeseekoose First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>			
INAC - grant	\$ 407,932	\$ 407,932	\$ 407,932
INAC - fixed	2,942,468	2,942,468	2,713,347
INAC - set	1,408,101	1,408,117	1,726,908
INAC - flexible	304,252	304,252	304,252
INAC - prior period revenue (recovery)	-	(45,677)	-
INAC - current year receivable (payable)	-	(43,433)	(114,800)
Health Canada	1,099,424	1,112,492	1,035,911
Health Canada - prior period revenue (recovery)	-	-	(136,027)
Yorkton Tribal Council	341,321	351,297	397,692
CMHC - subsidy	279,638	279,638	280,807
CMHC - RRAP	24,280	24,280	39,720
CMHC - rental income	151,884	128,985	151,884
First Nations Trust	845,936	842,601	845,936
Painted Hand Development Corporation	182,699	130,885	182,699
Income earned & held in trust by federal gov.	63,744	65,144	63,744
Pelly Haylands trust	750,000	750,000	2,747,956
Distributions received from PHC Holdings LP	47,000	-	47,232
Insurance proceeds	69,482	69,482	85,019
Store rebates	32,000	32,021	-
Interest income	65	71	-
Other revenue	290,000	443,519	534,286
Administration fees - internal allocation (Note 2.j)	214,000	263,386	-
Unexpended funds transferred - prior year (Note 11)	99,444	99,444	146,422
Deferred revenue - prior (Note 12)	61,293	61,293	28,071
Deferred revenue - current (Note 12)	-	(22,904)	(61,293)
	9,614,963	9,605,293	11,427,698
<b>Expenses</b>			
Community Development (Schedule 1)	1,033,658	955,282	1,741,928
Economic Development (Schedule 2)	256,892	33,530	647,401
Education (Schedule 3)	2,474,233	2,523,987	2,705,356
Indian Government Support (Schedule 4)	1,006,157	1,061,414	1,861,298
Land Management (Schedule 5)	80,720	229,468	205,560
Social Development (Schedule 6)	1,256,572	1,220,523	1,379,546
Indian Registration (Schedule 7)	17,771	18,342	21,147
Health Canada - First Nation and Inuit Health (Schedule 8)	1,138,166	971,852	1,094,697
CMHC Operations (Schedule 9)	234,814	226,950	340,507
Band Programs (Schedule 10)	1,297,159	937,696	1,318,019
Amortization (Schedule 11)	-	1,284,658	1,309,796
	8,796,142	9,463,702	12,625,255
<b>Current surplus (deficit) before unexpended transfers</b>	<b>818,821</b>	<b>141,593</b>	<b>(1,197,558)</b>

The accompanying notes are an integral part of the financial statements

**Keeseekoose First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(235,060)	(39,935)
<b>Current surplus (deficit)</b>	<b>\$ 818,821</b>	<b>\$ (93,467)</b>	<b>\$ (1,237,493)</b>

The accompanying notes are an integral part of the financial statements

**Keeseekoose First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2016*

	2016	2015
<b>Surplus at beginning of year</b>	\$ 15,920,713	\$ 17,158,206
<b>Current deficit</b>	<u>(93,467)</u>	<u>(1,237,493)</u>
<b>Surplus at end of year</b>	<u>\$ 15,827,246</u>	<u>\$ 15,920,713</u>

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The accompanying notes are an integral part of the financial statements

**Keeseekoose First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Current surplus (deficit)</b>	<b>\$ 818,821</b>	<b>\$ (93,467)</b>	<b>\$ (1,237,493)</b>
Acquisition of tangible capital assets	-	(171,112)	(414,460)
Amortization of tangible capital assets	-	1,284,658	1,309,795
Disposal of capital assets	-	11,991	-
Capital assets - adjustment for acquired assets	-	(706,194)	(271,994)
Accumulated amortization - adjustment for acquired assets	-	391,654	131,871
	-	810,997	755,212
<b>Use of prepaid assets</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
Decrease (increase) in net debt	818,821	717,530	(457,281)
<b>Net debt at beginning of year</b>	<b>(9,856,615)</b>	<b>(9,856,615)</b>	<b>(9,399,334)</b>
<b>Net debt at end of year</b>	<b>\$ (9,037,794)</b>	<b>\$ (9,139,085)</b>	<b>\$ (9,856,615)</b>

The accompanying notes are an integral part of the financial statements

**Keeseekoose First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

	2016	2015
		Restated (note 17)
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ (93,467)	\$ (1,237,493)
Items not affecting cash		
Amortization - capital assets	847,748	872,885
Amortization - CMHC housing assets	436,910	436,910
Loss (gain) on sale of tangible capital assets	3,191	-
Capital assets - adjustment for acquired assets	(706,194)	(271,994)
Accumulated amortization - adjustment for acquired assets	391,654	131,871
	879,842	(67,821)
Change in non-cash operating working capital		
Accounts receivable	131,293	70,795
Prepaid expenses	-	25,000
Accounts payable	85,173	468,306
Deferred revenue - unexpended funds	195,125	39,935
Deferred revenue	(38,389)	33,222
	1,253,044	569,437
<b>Capital activities</b>		
Capital assets purchases	(171,110)	(414,463)
Proceeds on disposal of tangible capital assets	8,800	-
	(162,310)	(414,463)
<b>Financing activities</b>		
Bank indebtedness	(693,318)	146,532
Short-term financing	(160,000)	160,000
Proceeds from long-term debt	84,000	536,130
Long-term debt repaid	(539,690)	(895,419)
CMHC mortgage advances	171,110	136,294
CMHC mortgages repaid	(222,483)	(209,091)
	(1,360,381)	(125,554)
<b>Investing activities</b>		
Restricted funds - CMHC reserves	(61,836)	(6,854)
Restricted funds - trust funds held by federal government	35,653	48,256
KKTLE Holdings Corp.	-	(204,616)
Keeseekoose Land Holding Corporation	-	829,494
Wi Ci Ti Zon Treatment Group Home Inc.	198,540	(583,015)
Portfolio investments - withdrawals	58,986	47,232
Portfolio investments - decrease (increase) in partners' capital	-	(126,695)
	231,343	3,802
<b>Increase (decrease) in cash and cash equivalents</b>	(38,304)	33,222
<b>Cash and cash equivalents, beginning of year</b>	61,294	28,072
<b>Cash and cash equivalents, end of year</b>	\$ 22,990	\$ 61,294

The accompanying notes are an integral part of the financial statements

**Represented by**

Restricted cash - capital projects

\$ 22,990 \$ 61,294

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The accompanying notes are an integral part of the financial statements

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**1. General**

The Keeseekoose First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the Keeseekoose First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

**2. Basis of presentation and significant accounting policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

**(a) Reporting entity**

The Keeseekoose First Nation reporting entity includes the Keeseekoose First Nation government and all related entities that are controlled by the First Nation.

The Keeseekoose First Nation entered into a settlement agreement with the government of Canada in regards to outstanding land issues and the “Pelly Haylands Trust” was created. The Pelly Haylands Trust is audited as a separate entity, and is not included in these financial statement; funds that have flowed from the Trust to the First Nation are reported as revenue in these statements.

**(b) Principles of consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Keeseekoose First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Keeseekoose First Nation.

Organizations consolidated in Keeseekoose First Nation's financial statements include:

KK Development Ltd  
KKTLE Holdings Corp  
Wi Ci Ti Zon Treatment Group Home Inc.  
Keeseekoose Land Holding Corporation

Organizations accounted for on a modified equity basis

There are no entities reported using the modified equity method in 2016. In 2015 the Wi Ci Ti Zon Treatment Group Home Inc. was reported using this method, however it was determined that it no longer meets the criteria of a government business enterprise and in 2016 it has been reported on a consolidated basis.

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**2. Basis of presentation and significant accounting policies (continued)**

**(c) Asset classification**

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

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

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial asset is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

**(f) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**2. Basis of presentation and significant accounting policies (continued)**

**(g) Tangible capital assets**

Tangible capital assets are 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 directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Keeseekoose First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Buildings	25 years Straight line
Equipment	5 years Straight line
Vehicles	4 years Straight line
Office equipment	5 years Straight line
Water and sewer	40 years Straight line
Band houses	25 years Straight line
CMHC houses	25 years Straight line
Roads	40 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Keeseekoose First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues 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 carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

**(h) Use of estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**2. Basis of presentation and significant accounting policies (continued)**

**(i) Segments**

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

**(j) Internal charges and transfers**

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees - internal allocation."

**(k) Revenue recognition**

**Funding**

Funding 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 consolidated 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. Transfer of non-depreciable assets are recognized in revenue when received or receivable.

**Other revenues**

Rent and interest income is recognized when earned. Rent is recognized during the rental term. Other revenue is recognized when the related services are provided.

**(l) Expense recognition**

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**2. Basis of presentation and significant accounting policies (continued)**

**(m) Restricted cash**

**Cash held by INAC in trust**

Funds held in trust by INAC for the First Nation are recorded as restricted assets.

**Cash in CMHC reserve bank accounts**

The cash on deposit in CMHC reserve accounts is recorded as restricted assets.

**Cash in capital project accounts**

Cash on deposit in capital project accounts is recorded as restricted assets.

**(n) Reserve for investment losses**

A reserve is recorded to reflect the negative equity of the entities that are reported in the consolidated financial statements using the "modified equity method".

**(o) Comparative figures**

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

**(p) Portfolio investments**

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**3. Cash and cash equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Keeseekoose 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 the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Subsidy Fund. Cash and cash equivalents is comprised of the following:

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Funds held in trust are held by the federal government in trust for the First Nation.

	2016	2015
Unrestricted cash		
General operations	\$ (358,593)	\$ (984,701)
Health operations	7,233	(45,248)
CMHC operations	14,828	99
	<hr/> (336,532)	<hr/> (1,029,850)
Restricted cash - capital projects		
Health capital projects	85	-
Wizniak	22,905	61,294
	<hr/> 22,990	<hr/> 61,294
Restricted cash - CMHC reserves		
Replacement reserve	257,655	195,819
Restricted cash - trust funds held by federal government		
Capital	2,009	2,009
Revenue	33,273	68,926
	<hr/> 35,282	<hr/> 70,935
	<hr/> \$ (20,605)	<hr/> \$ (701,802)

**Keeseechoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**4. Restricted cash - trust funds held by federal government**

	2016 Revenue	2016 Capital	2016 Total	2015 Total
Surplus, beginning of year	\$ 68,926	\$ 2,009	\$ 70,935	\$ 119,191
Withdrawals	(100,798)	-	(100,798)	(112,000)
Contributions	64,275	-	64,275	61,427
Interest earnings	870	-	870	2,317
<b>Surplus, end of year</b>	<b>\$ 33,273</b>	<b>\$ 2,009</b>	<b>\$ 35,282</b>	<b>\$ 70,935</b>

BCR 367-000-1677 - Land taxes - \$40,000 - Schedule 5 property taxes

BCR 367-000-1689 - Land taxes - \$60,798 - Schedule 5 property taxes

**5. Accounts receivable**

	2016	2015
<b>Due from members</b>		
Advances	\$ 215,426	\$ 285,666
<b>Due from others</b>		
Yorkton Tribal Council	3,633	111,760
Other receivables	-	7,699
	<b>3,633</b>	<b>119,459</b>
<b>Due from government and other government organizations</b>		
INAC	204	-
Health Canada	1,507	-
CMHC	23,255	23,371
	<b>24,966</b>	<b>23,371</b>
<b>Allowance for doubtful accounts</b>	<b>244,025</b>	<b>420,797</b>
	<b>(215,426)</b>	<b>(268,604)</b>
	<b>\$ 28,599</b>	<b>\$ 159,892</b>

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**6. Portfolio investments**

The First Nation has a 14% investment in PHC Holdings Ltd and PHC Holdings Limited Partnership which is reported at cost. The December 31, 2015 financial statements reported comprehensive income of \$894,475 and accumulated surplus of \$3,255,395.

**7. Due from (to) related parties**

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

	2016	2015
	Restated (note 17)	
<u>Wi Ci Ti Zon Treatment Group Home Inc.</u>	\$ -	<u>\$ 682,956</u>

**8. Bank indebtedness**

The First Nation has authorized overdraft limits of \$250,000 on the housing account and \$300,000 on the general account. The overdraft interest rate is prime plus 5.00%.

**9. Investment in Government Business Enterprises**

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

In 2015 WI Ci Ti Zon Treatment Group Home Inc .was reported on using the modified equity method and a reserve was reported to reflect the accumulated deficit. In 2016 it was determined that the entity no longer meets the criteria of a government business enterprise and has been reported on a consolidated basis.

	2016	2015
	Restated (note 17)	
Reserve - (Deficit less (surplus))	\$ -	\$ -
Wi Ci Ti Zon Treatment Group Home Inc - 100%	<u>\$ 484,416</u>	<u>\$ 484,416</u>

**Keeseechoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**10. Accounts payable**

	2016	2015
<b>Due to others</b>		
General suppliers	\$ 1,240,090	\$ 977,341
<b>Due to government and other government organizations</b>		
Canada Revenue Agency	89,088	125,051
INAC	120,273	114,800
Health Canada	184,843	331,927
	394,204	571,778
<b>Total accounts payable</b>	<b>\$ 1,634,294</b>	<b>\$ 1,549,119</b>

**11. Deferred revenue - unexpended funds**

Federal funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to the funding agency, deferred to the following year, or transferred to another program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2016	2015
Post Secondary	\$ -	\$ 39,935
Land Management	14,324	-
Student Transportation	8,171	-
Mental Health	71,321	-
NNADAP	8,499	-
HIV Aids	10,859	-
CPHC	32,611	-
Brighter Futures	87,312	-
Solvent Abuse	862	-
Prenatal	1,101	-
	<b>\$ 235,060</b>	<b>\$ 39,935</b>

**12. Deferred revenue**

	March 31, 2015	Revenue recognized, 2016	March 31, 2016
<b>Federal government</b>			
Flooding road repair	\$ 61,293	\$ (38,389)	\$ 22,904

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**13. Long-term debt**

The facility agreements with BMO are all demand loans managed by a special accounts manager; there are no maturity dates and they are subject to review on an annual basis.

	2016	2015
BMO - Demand loan - housing Interest at prime + 5.00%, principle was due October 31, 2014, secured by BCR and general security agreement.	\$ -	\$ 61,390
BMO - Demand loan - debt consolidation Interest at prime + 5.00% paid monthly, quarterly principle payments of \$72,500, secured by BCR and general security agreement.	3,407,500	3,625,000
BMO - Demand loan - various capital projects Interest at prime + 5.00% paid monthly, quarterly principle payments of \$24,450, secured by BCR and general security agreement.	1,217,820	1,207,120
BMO - Demand loan - housing, administration, Pow Wow Interest at prime + 5.00% paid monthly, quarterly principle payments of <u>\$62,500, secured by BCR and general security agreement.</u>	<u>141,000</u>	<u>328,500</u>
<u>Current portion</u>	<u>4,766,320</u>	<u>5,222,010</u>
	<u>528,800</u>	<u>699,190</u>
	<u><u>\$ 4,237,520</u></u>	<u><u>\$ 4,522,820</u></u>

Principal portion of CMHC mortgages due within the next five years:

2017	\$ 528,800
2018	387,800
2019	387,800
2020	387,800
2021 and thereafter	3,074,120
	<u><u>\$ 4,766,320</u></u>

	2016	2015
Interest expense for the year on long-term debt	<u><u>\$ 340,673</u></u>	<u><u>\$ 304,709</u></u>

**Keeseekeose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**14. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2016	2015
CMHC	1	4/1/2017	19.75%	\$ 5,329	\$ 63,034	\$ 110,922
Scotia Bank	8	6/1/2016	4.39%	1,035	3,082	15,087
Scotia Bank	9	5/1/2017	4.99%	283	3,756	6,882
Scotia Bank	10	8/1/2016	4.39%	2,084	10,308	34,298
CMHC	11	9/1/2020	0.94%	1,369	143,052	157,643
CMHC	12	4/1/2017	1.67%	1,418	171,178	185,236
CMHC	13	9/1/2019	1.82%	1,255	179,513	191,219
CMHC	14	9/1/2018	2.35%	3,537	605,595	633,577
CMHC	15	4/1/2018	1.68%	7,506	1,338,252	1,405,389
CMHC Loan Advances	-			-	307,404	136,294
					2,825,174	2,876,547
Current portion					211,509	219,486
<b>Total</b>					<b>2,613,665</b>	<b>2,657,061</b>
Principal portion of CMHC mortgages due within the next five years:						
2017					211,509	
2018					146,979	
2019					142,847	
2020					145,370	
2021 and thereafter					2,178,469	
					\$ 2,825,174	

The interest paid on CMHC housing mortgages was \$64,008 (\$78,455 - 2015).

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**15. Tangible capital assets**

	Cost	Additions	Disposals	Accumulated amortization	2016 Net book value
Land	\$ 5,595,282	\$ -	\$ -	\$ -	\$ 5,595,282
Buildings	11,660,623	491,313	-	5,982,543	6,169,393
Equipment	1,073,101	-	-	856,172	216,929
Vehicles	303,494	132,454	15,988	415,459	4,501
Office equipment	163,093	-	-	159,653	3,440
Water and sewer	8,110,589	-	-	1,698,672	6,411,916
Band houses	3,056,422	-	-	2,387,457	668,965
CMHC houses	10,921,678	171,110	-	5,289,882	5,802,906
Roads	209,534	-	-	116,536	92,998
Equipment - Wi Ci Ti Zon	-	82,427	-	82,427	-
<b>Total</b>	<b>\$ 41,093,816</b>	<b>\$ 877,304</b>	<b>\$ 15,988</b>	<b>\$ 16,988,801</b>	<b>\$ 24,966,330</b>

	Cost	Additions	Disposals	Accumulated amortization	2015 Net book value
					Restated
Land	\$ 5,595,282	\$ -	\$ -	\$ -	\$ 5,595,282
Buildings	11,116,194	544,429	-	5,342,392	6,318,231
Equipment	1,073,101	-	-	811,847	261,254
Vehicles	303,494	-	-	282,502	20,992
Office equipment	157,359	5,734	-	158,506	4,587
Water and sewer	8,110,589	-	-	1,495,537	6,615,051
Band houses	3,056,422	-	-	2,261,432	794,990
CMHC houses	10,785,384	136,294	-	4,852,972	6,068,706
Roads	209,534	-	-	111,298	98,236
<b>Total</b>	<b>\$ 40,407,359</b>	<b>\$ 686,457</b>	<b>\$ -</b>	<b>\$ 15,316,486</b>	<b>\$ 25,777,329</b>

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**16. Accumulated surplus**

	2016	2015 Restated (note 17)
<b>Restricted</b>		
INAC trust funds	\$ 35,282	\$ 70,935
Capital assets	20,923,337	21,693,663
CMHC reserves	602,510	<u>555,086</u>
	<u>21,561,129</u>	22,319,684
<b>Unrestricted</b>		
Operating	<u>(5,733,883)</u>	(6,398,969)
	<u>\$ 15,827,246</u>	<u>\$ 15,920,715</u>

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**17. Prior period restatement**

The March 31, 2015 comparative information has been restated to report the operations of Keeseekoose Land Holdings corporation and KKTLE Holdings Corporation on a fully consolidated basis.

This restatement has resulted in the following changes to the March 31, 2015 financial statements:

	As previously stated in 2015	Adjustments Increase (Decrease)	Restated 2015
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**Consolidated Statement of Financial Position**

**Financial assets**

Accounts receivable	\$ 152,193	\$ 7,699	\$ 159,892
Due from related parties	1,074,353	(391,397)	682,956

**Liabilities**

Bank indebtedness	1,045,089	(15,239)	1,029,850
Reserve for investment losses	545,598	(61,182)	484,416
Accounts payable	1,326,219	222,900	1,549,119

**Net debt**

(9,722,098) (134,517) (9,856,615)

**Non-financial assets**

Capital assets	25,642,812	134,518	25,777,330
<b>Accumulated surplus</b>	<b>15,920,715</b>	<b>-</b>	<b>15,920,715</b>

**Consolidated Statement of Operations**

**Revenue**

Gain (loss) on investments in related entities	6,197	(200,102)	(193,905)
Other revenue (rental income)	213,742	320,544	534,286

**Expenses**

Land management	90,723	114,837	205,560
Amortization	1,304,191	5,605	1,309,796
<b>Current year surplus (deficit)</b>	<b>(1,237,493)</b>	<b>-</b>	<b>(1,237,493)</b>

**Consolidated Statement of Accumulated surplus**

Accumulated surplus	\$ 15,920,715	\$ -	\$ 15,920,715
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**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**18. Trusts under administration**

Keesekoose First Nation is the beneficiary of trusts. The assets held in trust are not included on the statement of financial position as assets of Keesekoose First Nation. The equity amounts held in trust as reported on the latest audited financial statements (December 31, 2015) are as follows:

	2015	2014
	December 31	December 31
Keesekoose Haylands Trust	\$ 18,682,047	\$ 19,074,103
Keesekoose Haylands Trust - Children's Fund	664,779	754,448
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	\$ 19,346,826	\$ 19,783,380

**19. Contingent liabilities**

Keesekoose 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.

In addition, in the normal course of its operations, Keesekoose First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Keesekoose First Nation's financial statements.

**20. Employee benefit obligations**

**Pension plan**

Keesekoose First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute a percentage of their basic salary; Keesekoose First Nation contributes a matching contribution. Keesekoose First Nation does not have any other obligations with regards to the pension plan as at March 31, 2016.

**21. Subsequent events**

There are no subsequent events to report.

**22. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes.

**23. CMHC housing restricted funds**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. The reserves were under funded by \$344,855 as of March 31, 2016 (\$359,267 - 2015).

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**24. Economic dependence**

Keeseekoose First Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.

**25. Compliance with authorities**

The First Nation is required to make its financial statements publicly available and submit its consolidated financial statements to Indigenous and Northern Affairs Canada by July 29, 2016. The First Nation did not submit its consolidated financial statements by this date. The possible effect of this breach has not yet been determined.

**26. INAC reconciliation**

	2016	2015
<b>INAC confirmation</b>	\$ 5,062,769	\$ 5,155,034
<b>Payable (receivable) - prior year</b>		
Band Employee Benefits	-	(2,595)
High Cost Special Education	(45,677)	-
<b>Receivable (payable) - current year</b>		
Special Needs	(11,784)	(10,809)
Basic Needs	(18,119)	(36,731)
NCBR	(16)	-
ECIP	-	(4,659)
Institutional Care	(13,350)	(3,610)
BEB	204	(52,213)
P & ID	-	(6,778)
Adult Care	(368)	-
	<hr/>	<hr/>
	\$ 4,973,659	\$ 5,037,639

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**27. Government Transfers**

	2016		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 4,669,407	\$ 304,252	\$ 4,973,659
Health Canada	1,082,352	30,140	1,112,492
Canada Mortgage and Housing Corporation	279,638	24,280	303,918
<b>Total</b>	<b>6,031,397</b>	<b>358,672</b>	<b>6,390,069</b>
<b>Provincial government transfers</b>			
<b>Total</b>	<b>\$ 6,031,397</b>	<b>\$ 358,672</b>	<b>\$ 6,390,069</b>
	2015		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 4,454,887	\$ 582,752	\$ 5,037,639
Health Canada	899,884	-	899,884
Canada Mortgage and Housing Corporation	280,807	39,720	320,527
<b>Total</b>	<b>5,635,578</b>	<b>622,472</b>	<b>6,258,050</b>
<b>Provincial government transfers</b>			
<b>Total</b>	<b>\$ 5,635,578</b>	<b>\$ 622,472</b>	<b>\$ 6,258,050</b>

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**28. Revenue, expenditures and surplus (deficit) by segment**

Revenue includes the transfer to unexpended funds in the current year.

	Revenue	Expenditures	Transfers	Surplus (deficit)
Community Development	\$ 913,000	\$ 955,282	\$ (788,841)	\$ (831,123)
Economic Development	92,000	33,530	(25,587)	32,883
Education	2,420,385	2,523,987	-	(103,602)
Indian Government Support	759,841	1,061,414	236,531	(65,042)
Land Management	279,466	229,468	(5,381)	44,617
Social Development	1,212,951	1,220,523	-	(7,572)
Indian Registration	17,771	18,342	-	(571)
Health Canada -				
First Nation and Inuit Health	933,669	971,852	(17,959)	(56,142)
CMHC Operations	492,041	226,950	(436,910)	(171,819)
Band Programs	2,249,110	937,696	(246,511)	1,064,903
Amortization	-	1,284,658	1,284,658	-
	<hr/> \$ 9,370,234	<hr/> \$ 9,463,702	<hr/> \$ -	<hr/> \$ (93,468)

**Keesekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**29. Expenses by object**

	2016 Budget	2016 Actual	2015 Restated (note 17)
Administration	\$ 244,927	\$ 263,386	\$ 6,529
Amortization	-	1,284,658	1,309,796
Assistance - social development	958,767	932,300	1,037,283
Assistance to band members	107,000	118,120	480,236
Bad debts (recovery)	-	(53,178)	146,648
Bussing	257,904	246,602	229,277
Christmas expense	23,000	22,952	800
Construction	61,293	38,389	245,278
Consultants and contractors	143,810	266,418	255,364
Cultural programs	122,000	32,863	245,653
Equipment purchases	-	-	11,164
Graduation, awards, prizes	25,000	41,680	39,469
Home care	26,184	12,834	22,977
Insurance	152,843	194,380	110,488
Interest and bank charges	121,730	130,687	69,997
Interest on long term debt	964,962	404,681	383,164
Janitorial services	-	-	30,139
Loss on investments	(6,000)	-	193,905
Loss on the disposal of capital assets	-	3,191	-
NCBR program expenses	151,127	151,127	186,524
Other expenses	4,200	8,200	159,503
Per capita distribution	3,500	1,860	3,605
Professional fees	121,000	107,455	215,244
Program expenses	237,330	74,129	50,341
Property taxes	-	150,361	83,656
Recreational activities	185,265	165,400	196,037
Rent - equipment	10,000	10,131	15,871
Repairs and maintenance	561,196	436,844	1,155,654
Senior and youth programs	250	250	31,377
Student allowance	461,000	460,496	578,282
Summer/winter games	21,434	629	21,434
Supplies	163,495	192,207	324,711
Telephone	24,515	35,829	52,328
Training	15,700	4,022	4,200
Transfer to assets	-	-	(5,734)
Travel - medical transportation	64,000	61,847	55,026
Travel, meetings, per diems	635,058	656,863	988,161
Tuition	251,000	271,212	191,402
Unexpended funds not recognized in prior year	-	59,509	146,422
Utilities	148,679	140,255	247,303
Wages and benefits	2,533,973	2,535,113	3,105,273
Youth retreat - Grade 6 & 7	-	-	468
	<hr/>	<hr/>	<hr/>
	\$ 8,796,142	\$ 9,463,702	\$ 12,625,255

**Keeseechoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

### **30. INAC funding**

The First Nation (Recipient) receives funding from Indigenous and Northern Affairs Canada (INAC) by entering into an agreement with INAC.

There are five approaches that INAC may consider in the design and delivery of transfer payment programs:

1. **Grant approach** – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. **Set contribution approach** – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to INAC annually.
3. **Fixed contribution approach** – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by INAC. A plan must be submitted and approved by INAC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by INAC.
4. **Flexible contribution approach** – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to INAC at the end of the project, program or agreement.
5. **Block contribution approach** – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by INAC.

**Keeseekoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

### **31. Segmented information**

As previously discussed in note 2 (i) the First Nation conducts its business through reportable segments as follows:

#### **1) Indigenous and Northern Affairs Canada (INAC)**

##### **Claims and Indian Government:**

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

##### **Community Development:**

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

##### **Economic Development:**

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

##### **Education:**

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with INAC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

##### **Indian Government Support:**

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

**Keeseechoose First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**31. Segmented information, continued**

**Land Management:**

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

**Social Development:**

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

**Indian Registration:**

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

**Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

**2) Health Programs (FNIHB)**

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

**3) Canada Mortgage and Housing Corporation (CMHC)**

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth

**4) Band programs**

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

**Schedule #1**  
**Keeseekeoose First Nation**  
**Community Development**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>			
INAC - fixed	\$ 539,660	\$ 539,660	\$ 236,197
INAC - set	-	-	278,500
INAC - flexible	304,252	304,252	304,252
Yorkton Tribal Council	5,419	5,419	-
CMHC	24,280	24,280	39,720
Other revenue	-	1,000	-
Deferred revenue - prior	61,293	61,293	28,071
Deferred revenue - current	-	(22,904)	(61,293)
	934,904	913,000	825,447
<b>Expenses</b>			
Administration	39,894	50,210	-
Construction	61,293	38,389	245,278
Consultants and contractors	1,200	1,150	9,928
Equipment purchases	-	-	3,680
Insurance	96,732	133,048	74,732
Interest and bank charges	1,700	1,728	-
Other expenses	-	-	3,553
Repairs and maintenance	456,555	338,532	920,418
Supplies	1,000	995	15,128
Telephone	1,425	1,414	921
Travel, meetings, per diems	6,250	6,243	26,532
Utilities	89,079	129,862	112,669
Wages and benefits	278,530	253,711	329,089
	1,033,658	955,282	1,741,928
<b>Current deficit before transfers</b>	<b>(98,754)</b>	<b>(42,282)</b>	<b>(916,481)</b>
<b>Transfers</b>			
Transfer - Amortization	-	(788,841)	(834,199)
<b>Current deficit</b>	<b>\$ (98,754)</b>	<b>\$ (831,123)</b>	<b>\$ (1,750,680)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Keeseechoose First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>			
Yorkton Tribal Council	\$ 106,000	\$ 92,000	\$ 92,000
Distributions received from PHC Holdings LP	47,000	-	47,232
Other revenue	280,000	-	437
<u>Unexpended funds transferred - prior year</u>	<u>-</u>	<u>-</u>	<u>3,887</u>
	<b>433,000</b>	<b>92,000</b>	<b>143,556</b>
<b>Expenses</b>			
Administration	-	9,200	5,000
Assistance to band members	107,000	-	242,408
Christmas expense	23,000	-	-
Consultants and contractors	10,400	3,500	12,778
Interest and bank charges	10	-	178
Loss on investments	(6,000)	-	193,905
Other expenses	4,200	4,200	38,787
Professional fees	5,000	-	7,000
Program expenses	5,800	-	-
Recreational activities	50,000	-	91,778
Supplies	2,000	-	1,276
Telephone	-	-	1,645
Travel, meetings, per diems	1,182	329	26,950
Utilities	38,000	-	-
<u>Wages and benefits</u>	<u>16,300</u>	<u>16,301</u>	<u>25,696</u>
	<b>256,892</b>	<b>33,530</b>	<b>647,401</b>
<b>Current surplus (deficit) before transfers</b>	<b>176,108</b>	<b>58,470</b>	<b>(503,845)</b>
<b>Transfers</b>			
Transfer - Amortization	-	(25,587)	-
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 32,883</b>	<b>\$ (503,845)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Keeseechoose First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>			
INAC - fixed	\$ 2,215,819	\$ 2,215,819	\$ 2,288,407
INAC - set	158,970	158,970	144,831
INAC - prior period revenue (recovery)	-	(45,677)	-
Other revenue	-	-	2,915
Unexpended funds transferred - prior year	99,444	99,444	142,460
	<b>2,474,233</b>	<b>2,428,556</b>	<b>2,578,613</b>
<b>Expenses</b>			
Administration	97,791	101,202	447
Bussing	257,904	246,602	229,277
Graduation, awards, prizes	25,000	41,680	37,769
Insurance	1,800	1,740	-
Interest and bank charges	9,300	9,816	8,116
Janitorial services	-	-	30,005
Loss on the disposal of capital assets	-	3,191	-
Other expenses	-	-	12,325
Program expenses	10,885	10,885	3,150
Recreational activities	4,000	4,031	7,343
Rent - equipment	-	-	6,770
Repairs and maintenance	-	-	41,985
Student allowance	461,000	460,496	578,282
Supplies	109,284	133,403	113,225
Telephone	1,800	1,220	4,982
Training	1,200	1,000	1,200
Travel, meetings, per diems	40,300	47,376	56,558
Tuition	251,000	271,212	191,402
Utilities	-	-	54,655
Wages and benefits	1,202,969	1,190,133	1,327,865
	<b>2,474,233</b>	<b>2,523,987</b>	<b>2,705,356</b>
<b>Current deficit before unexpended transfers</b>	<b>-</b>	<b>(95,431)</b>	<b>(126,743)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(8,171)	(39,935)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (103,602)</b>	<b>\$ (166,678)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Keeseekeoose First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - grant	\$ 407,932	\$ 407,932	\$ 407,932
INAC - fixed	16,599	16,599	21,631
INAC - set	64,458	64,458	95,449
INAC - current year receivable (payable)	-	204	(58,991)
Yorkton Tribal Council	7,200	7,197	74,557
Interest income	65	65	-
Other revenue	-	-	131,361
Administration fees - internal allocation	214,000	263,386	-
	710,254	759,841	671,939
<b>Expenses</b>			
Bad debts (recovery)	-	-	146,648
Consultants and contractors	86,000	94,548	139,944
Equipment purchases	-	-	4,185
Insurance	5,000	5,000	-
Interest and bank charges	90,000	97,157	42,993
Interest on long term debt	-	-	8,507
Janitorial services	-	-	134
Other expenses	-	-	41,309
Professional fees	71,000	32,259	72,128
Rent - equipment	10,000	10,131	9,101
Repairs and maintenance	-	-	7,661
Senior and youth programs	-	-	7,626
Supplies	18,000	23,082	37,478
Telephone	15,000	14,368	35,529
Training	8,000	(365)	2,200
Travel, meetings, per diems	499,700	533,354	751,233
Utilities	-	-	37,191
Wages and benefits	203,457	251,880	519,866
Transfer to assets	-	-	(2,435)
	1,006,157	1,061,414	1,861,298
<b>Current deficit before transfers</b>	<b>(295,903)</b>	<b>(301,573)</b>	<b>(1,189,359)</b>
<b>Transfers</b>			
Transfer - Band Programs - Pelly Haylands	-	236,531	112,000
Transfer - Amortization	-	-	(487)
<b>Current deficit</b>	<b>\$ (295,903)</b>	<b>\$ (65,042)</b>	<b>\$ (1,077,846)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Keeseekoose First Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>			
INAC - fixed	\$ 80,720	\$ 80,720	\$ 77,725
Other revenue	-	213,070	320,544
	<b>80,720</b>	<b>293,790</b>	<b>398,269</b>
<b>Expenses</b>			
Administration	12,000	12,108	-
Consultants and contractors	12,770	5,800	17,491
Insurance	-	4,941	-
Interest and bank charges	-	770	138
Professional fees	-	3,500	3,500
Property taxes	-	150,361	83,656
Repairs and maintenance	-	-	23,043
Telephone	350	336	3,955
Travel, meetings, per diems	15,000	11,224	20,642
Utilities	600	537	-
<b>Wages and benefits</b>	<b>40,000</b>	<b>39,891</b>	<b>53,135</b>
	<b>80,720</b>	<b>229,468</b>	<b>205,560</b>
<b>Current surplus before unexpended transfers</b>	<b>-</b>	<b>64,322</b>	<b>192,709</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(14,324)	-
<b>Current surplus before transfers</b>	<b>-</b>	<b>49,998</b>	<b>192,709</b>
<b>Transfers</b>			
Transfer - Amortization	-	(5,381)	(5,605)
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ 44,617</b>	<b>\$ 187,104</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Keeseekoose First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 71,899	\$ 71,899	\$ 71,899
INAC - set	1,184,673	1,184,689	1,208,128
INAC - current year receivable (payable)	- (43,637)	(43,637)	(55,809)
	<b>1,256,572</b>	<b>1,212,951</b>	<b>1,224,218</b>
<b>Expenses</b>			
Administration	7,190	7,190	-
Assistance - basic needs	872,020	859,362	947,938
Assistance - special needs	86,747	72,938	89,345
Home care	26,184	12,834	22,977
Interest and bank charges	2,500	2,477	2,196
NCBR program expenses	151,127	151,127	186,524
Repairs and maintenance	-	-	600
Supplies	2,500	2,400	12,214
Training	3,700	-	-
Travel, meetings, per diems	9,500	7,532	22,968
Wages and benefits	95,104	104,663	94,783
	<b>1,256,572</b>	<b>1,220,523</b>	<b>1,379,545</b>
<b>Current deficit before transfers</b>	<b>-</b>	<b>(7,572)</b>	<b>(155,327)</b>
<b>Transfers</b>			
Transfer - Amortization	-	-	(3,997)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (7,572)</b>	<b>\$ (159,324)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Keeseekoose First Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 17,771	\$ 17,771	\$ 17,488
Unexpended funds transferred - prior year	- -	- -	75
	17,771	17,771	17,563
<b>Expenses</b>			
Administration	1,100	1,777	200
Supplies	1,471	1,420	4,202
Travel, meetings, per diems	3,200	3,580	4,645
Wages and benefits	12,000	11,565	12,100
	17,771	18,342	21,147
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (571)</b>	<b>\$ (3,584)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Keeseekoose First Nation**  
**Health Canada - First Nation and Inuit Health**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
Health Canada	\$ 1,099,424	\$ 1,112,492	\$ 1,035,911
Health Canada - prior period revenue (recovery)	-	-	(136,027)
Yorkton Tribal Council	33,742	33,742	63,075
Other revenue	5,000	-	45,000
	<b>1,138,166</b>	<b>1,146,234</b>	<b>1,007,959</b>
<b>Expenses</b>			
Administration	79,452	71,699	883
Consultants and contractors	32,640	149,569	-
Cultural programs	92,000	2,139	120,403
Graduation, awards, prizes	-	-	1,700
Interest and bank charges	1,620	1,621	1,940
Other expenses	-	-	53,716
Professional fees	45,000	66,815	132,616
Program expenses	220,645	61,444	47,191
Recreational activities	-	126	13,750
Senior and youth programs	250	250	2,300
Summer/winter games	-	629	-
Supplies	11,740	11,073	21,711
Telephone	2,640	2,800	1,629
Training	1,800	2,339	-
Travel - medical transportation	64,000	61,847	55,026
Travel, meetings, per diems	54,426	39,674	54,573
Utilities	7,600	7,460	26,398
Wages and benefits	524,353	492,367	560,393
Youth retreat - Grade 6 & 7	-	-	468
	<b>1,138,166</b>	<b>971,852</b>	<b>1,094,697</b>
<b>Current surplus (deficit) before unexpended transfers</b>	<b>-</b>	<b>174,382</b>	<b>(86,738)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(212,565)	-
<b>Current deficit before transfers</b>	<b>-</b>	<b>(38,183)</b>	<b>(86,738)</b>
<b>Transfers</b>			
Transfer - Amortization	-	(17,959)	(17,959)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (56,142)</b>	<b>\$ (104,697)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Keeseekoose First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
CMHC - subsidy	\$ 279,638	\$ 279,638	\$ 280,807
CMHC - rental income	151,884	128,985	151,884
Insurance proceeds	69,482	69,482	85,019
Interest income	-	6	-
Other revenue	-	13,930	-
	<b>501,004</b>	<b>492,041</b>	<b>517,710</b>
<b>Expenses</b>			
Consultants and contractors	800	800	400
Insurance	41,911	41,911	34,686
Interest and bank charges	16,500	16,467	13,538
Interest on long term debt	64,962	64,009	80,962
Other expenses	-	-	6,438
Repairs and maintenance	104,641	98,213	92,580
Supplies	5,500	5,400	97,661
Travel, meetings, per diems	500	150	1,476
Utilities	-	-	12,766
	<b>234,814</b>	<b>226,950</b>	<b>340,507</b>
<b>Current surplus before transfers</b>	<b>266,190</b>	<b>265,091</b>	<b>177,203</b>
<b>Transfers</b>			
Transfer - Amortization	-	(436,910)	(436,910)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (171,819)</b>	<b>\$ (259,707)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Keeseekeoose First Nation**  
**Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
Yorkton Tribal Council	\$ 188,960	\$ 212,940	\$ 168,060
First Nations Trust	845,936	842,601	845,936
Painted Hand Development Corporation	182,699	130,885	182,699
Income earned & held in trust by federal gov.	63,744	65,144	63,744
Pelly Haylands trust	750,000	750,000	2,747,956
Store rebates	32,000	32,021	-
Other revenue	5,000	215,519	34,028
	<b>2,068,339</b>	<b>2,249,110</b>	<b>4,042,423</b>
<b>Expenses</b>			
Administration	7,500	10,000	-
Assistance to band members	-	118,120	237,828
Bad debts (recovery)	-	(53,178)	-
Christmas expense	-	22,952	800
Consultants and contractors	-	11,051	74,822
Cultural programs	30,000	30,724	125,250
Equipment purchases	-	-	3,299
Insurance	7,400	7,741	1,070
Interest and bank charges	100	656	897
Interest on long term debt	900,000	340,672	293,694
Other expenses	-	4,000	3,376
Per capita distribution	3,500	1,860	3,605
Professional fees	-	4,880	-
Program expenses	-	1,800	-
Recreational activities	131,265	161,243	83,166
Repairs and maintenance	-	100	69,367
Senior and youth programs	-	-	21,451
Summer/winter games	21,434	-	21,434
Supplies	12,000	14,433	21,815
Telephone	3,300	15,690	3,667
Training	1,000	1,048	800
Travel, meetings, per diems	5,000	7,400	22,585
Unexpended funds not recognized in prior year	-	59,509	146,422
Utilities	13,400	2,397	3,625
Wages and benefits	161,260	174,598	182,343
Transfer to assets	-	-	(3,299)
	<b>1,297,159</b>	<b>937,696</b>	<b>1,318,017</b>
<b>Current surplus before transfers</b>	<b>771,180</b>	<b>1,311,414</b>	<b>2,724,406</b>
<b>Transfers</b>			
Transfer - Indian Government Support	-	(236,531)	(112,000)
Transfer - Amortization	-	(9,980)	(10,639)
<b>Current surplus</b>	<b>\$ 771,180</b>	<b>\$ 1,064,903</b>	<b>\$ 2,601,767</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Keeseechoose First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Restated (note 17)
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Band Housing	-	25,587	-
Band Support	-	-	487
CMHC Section 10	-	5,381	5,605
CMHC Section 95	-	436,910	436,910
Community Health Services	-	17,959	17,959
Community Infrastructure	-	411,579	456,937
Daycare	-	5,480	5,479
Headstart	-	4,500	4,500
Instructional Services	-	377,262	377,262
National Child Benefit	-	-	3,997
Recreation and Culture	-	-	660
	-	1,284,658	1,309,796
<b>Current deficit before transfers</b>	-	(1,284,658)	(1,309,796)
<b>Transfers</b>			
Transfer amortization - programs	-	1,284,658	1,309,796
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements