

**The Key First Nation**  
**Consolidated Financial Statements**  
*March 31, 2015*

# The Key First Nation

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For the year ended March 31, 2015

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## Management's Responsibility

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To the Members of The Key First Nation:

The accompanying consolidated financial statements of The Key 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 consolidated financial statements.

The Key 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 appointing the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to the members of The Key First Nation; their report follows. The external auditors have full and free access to, and may meet periodically and separately with, both the Council and management to discuss their audit findings.

November 9, 2015

"Original Signed By"

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Melody Brass

## Independent Auditors' Report

To the Members of The Key First Nation:

We have audited the accompanying consolidated financial statements of The Key First Nation, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (net debt), cash flows and the related schedules 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 audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Key First Nation as at March 31, 2015 and the results of its operations, changes in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matter*

The financial statements of The Key First Nation for the year ended March 31, 2014, were audited by another auditor who expressed an unqualified opinion in their report which was dated September 12, 2014.

Regina, Saskatchewan

November 9, 2015



Chartered Professional Accountants

**The Key First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2015*

	<b>2015</b>	<i>2014 Restated (Note 22)</i>
<b>Financial assets</b>		
<b>Current</b>		
Cash (Note 3)	<b>732,269</b>	1,148,329
Accounts receivable (Note 4)	<b>785,999</b>	395,706
	<b>1,518,268</b>	1,544,035
<b>Portfolio investments (Note 5)</b>	<b>331,558</b>	311,065
<b>Advances to related Nation entities (Note 6)</b>	<b>905</b>	-
<b>Funds held in trust (Note 7)</b>	<b>24,560</b>	6,046
<b>Co-op equity</b>	<b>15,000</b>	33,998
<b>Total financial assets</b>	<b>1,890,291</b>	1,895,144
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	<b>143,477</b>	34,979
Accounts payable and accruals	<b>351,266</b>	241,687
Deferred revenue (Note 9)	<b>243,496</b>	360,994
Current portion of long-term debt (Note 10)	<b>704,696</b>	106,400
	<b>1,442,935</b>	744,060
<b>Long-term debt (Note 10)</b>	<b>886,449</b>	1,041,096
<b>Total financial liabilities</b>	<b>2,329,384</b>	1,785,156
<b>Net financial assets (net debt)</b>	<b>(439,093)</b>	109,988
<b>Contingencies (Note 11)</b>		
<b>Subsequent events (Note 12)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	<b>8,621,164</b>	6,579,427
Prepaid expenses	<b>20,904</b>	19,886
<b>Total non-financial assets</b>	<b>8,642,068</b>	6,599,313
<b>Accumulated surplus (Note 15)</b>	<b>8,202,975</b>	6,709,301
<b>Approved on behalf of the Chief and Council</b>		

“Original Signed By”

Chief David Cote

“Original Signed By”

Councillor Angela Desjarlais

# The Key First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014 Restated (Note 22)</b>
<b>Revenue</b>				
Aboriginal Affairs and Northern Development Canada (Note 17)		<b>2,013,035</b>	<b>2,416,682</b>	2,241,688
Health Canada (Note 18)		<b>258,830</b>	<b>368,307</b>	312,520
Canada Mortgage and Housing Corporation		-	<b>152,821</b>	128,954
Pelly Haylands		-	<b>2,512,774</b>	3,013,051
Lease income		<b>385,330</b>	<b>473,684</b>	358,425
First Nations Trust		<b>385,000</b>	<b>380,609</b>	448,988
Painted Hand CDC		-	<b>222,833</b>	224,203
Yorkton Tribal Council		<b>163,760</b>	<b>219,570</b>	220,144
Other		<b>385,606</b>	<b>149,922</b>	98,361
Rental income		-	<b>79,037</b>	86,539
Earnings from portfolio investments		<b>47,231</b>	<b>20,493</b>	55,971
Interest income		-	<b>5,440</b>	4,879
Loss on disposal of asset		-	-	(1,421)
		<b>3,638,792</b>	<b>7,002,172</b>	7,192,302
<b>Program expenses</b>				
Band Government	2	<b>681,590</b>	<b>944,171</b>	847,351
Education	3	<b>1,018,695</b>	<b>1,113,720</b>	1,146,041
Economic Development	4	<b>125,355</b>	<b>304,391</b>	220,015
Social	5	<b>416,017</b>	<b>557,627</b>	535,208
Community	6	<b>228,745</b>	<b>508,750</b>	458,001
Housing	7	<b>129,079</b>	<b>647,039</b>	382,161
Community Health	8	<b>376,969</b>	<b>681,658</b>	513,489
Other	9	<b>22,970</b>	<b>751,142</b>	947,437
<b>Total expenditures</b>		<b>2,999,420</b>	<b>5,508,498</b>	5,049,703
<b>Annual surplus</b>		<b>639,372</b>	<b>1,493,674</b>	2,142,599
<b>Accumulated surplus, beginning of year, as previously stated</b>		<b>6,388,969</b>	<b>6,388,969</b>	4,304,509
Correction of an error (Note 22)		-	<b>320,332</b>	262,193
<b>Accumulated surplus, beginning of year, as restated</b>		<b>6,388,969</b>	<b>6,709,301</b>	4,566,702
<b>Accumulated surplus, end of year (Note 15)</b>		<b>7,028,341</b>	<b>8,202,975</b>	6,709,301

The accompanying notes are an integral part of these financial statements



**The Key First Nation**  
**Consolidated Statement of Change in Net Financial Assets (Net Debt)**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014 Restated (Note 22)</b>
<b>Annual surplus</b>	<b>639,372</b>	<b>1,493,674</b>	2,142,599
Purchases of tangible capital assets	-	<b>(2,422,254)</b>	(1,722,779)
Amortization of tangible capital assets	-	<b>380,517</b>	385,425
	-	<b>(2,041,737)</b>	(1,337,354)
Acquisition of prepaid expenses	-	<b>(1,018)</b>	-
Use of prepaid expenses	-	-	74,465
	-	<b>(1,018)</b>	74,465
<b>Increase (decrease) in net debt</b>	<b>639,372</b>	<b>(549,081)</b>	879,710
<b>Net financial assets, beginning of year</b>	<b>109,988</b>	<b>109,988</b>	(769,722)
<b>Net financial assets (net debt), end of year</b>	<b>749,360</b>	<b>(439,093)</b>	109,988

**The Key First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2015*

	<b>2015</b>	<i>2014 Restated (Note 22)</i>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	1,493,674	2,142,599
Non-cash items		
Amortization	380,517	385,425
Bad debts	11,175	-
Loss on disposal of assets	-	1,421
	1,885,366	2,529,445
Changes in working capital accounts		
Accounts receivable	(401,468)	(268,881)
Prepaid expenses	(1,016)	74,465
Accounts payable and accruals	109,577	35,281
Deferred revenue	(117,498)	76,801
	1,474,961	2,447,111
<b>Financing activities</b>		
Advances of long-term debt	650,000	-
Repayment of long-term debt	(206,351)	(212,955)
(Increase) decrease in funds held in trust	(18,514)	3,234
	425,135	(209,721)
<b>Capital activities</b>		
Purchases of tangible capital assets	(2,422,254)	(1,722,779)
<b>Investing activities</b>		
Advances to related Nation entities	(905)	-
Increase in portfolio investment	(20,493)	(55,971)
Decrease in Co-op equity	18,998	10,294
	(2,400)	(45,677)
<b>Increase (decrease) in cash resources</b>	(524,558)	468,934
<b>Cash resources, beginning of year</b>	1,113,350	644,416
<b>Cash resources, end of year</b>	588,792	1,113,350
<b>Supplementary cash flow information</b>		
Interest paid	43,613	48,399



**1. Operations**

The The Key First Nation (the "First Nation") is located in the province of Saskatchewan, and provides various services to its members. The Key First Nation includes the 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:

***Basis of presentation***

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity.

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

- Key First Nation
- Key First Nation CMHC Housing
- Key First Nation Pelly Haylands Corp.
- Key First Nation Band Land Holdings Corp.
- Key First Nation Pelly Haylands Authorized Expense Account
- Key First Nation Pelly Haylands Band Account

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. Key First Nation Pelly Haylands Band Account and Key First Nation Pelly Haylands Authorized Expense Account have a year end December 31, 2014 which are not co-terminous with the Nation's year end. Significant events during the intervening period were adjusted.

The financial statement of Key First Nation Pelly Hayland Trust is not included in the consolidated financial statements of The Key First Nation as the entity is administered and controlled by Trustees or the Trusts.

These entities are related by common ownership.

***Other economic interests***

The Key First Nation is a member of the Yorkton Tribal Council Child and Family Services Incorporated. The Yorkton Tribal Council Child and Family Services Incorporated is an organization of thirteen member First Nations, whose purpose is to be provided Child and Family Services to the thirteen member Nations.

***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. The First Nation's investment in PHC Holdings Limited Partnership is accounted for using the cost method.

***Cash resources***

Cash resources 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 trust by AANDC for the First Nation and the cash on deposit in CMHC reserve accounts are recorded as restricted assets.

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

**Funds held in Ottawa Trust Fund**

Funds are held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund. Cash is subject to restrictions that prevent its use for current purposes is included in restricted cash.

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

Revenues from trust fund moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based on historical accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

**Amortization**

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost over their estimated useful lives. In the year of acquisition, amortization is taken at 1/2 of the annual amount.

	<b>Method</b>	<b>Rate</b>
Buildings	straight-line	20 years
Equipment	straight-line	5 years
Housing	straight-line	10 - 25 years
Water	straight-line	20 - 40 years
Vehicles	straight-line	5 years

Land is not amortized.

**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. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Any impairment is included in surplus for the year. Prices for similar items are used to measure fair value of long-lived assets.

**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 and prepaid expenses.

**Net financial assets (net debt)**

The First Nation's 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 is comprised of two components, non-financial assets and accumulated surplus.

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

**Revenue recognition**

**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.

**Externally restricted revenue**

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

**Other Revenue**

Lease revenue is recognized over the rental term. Investment income is recognized when received or receivable. Other revenues are earned from other services provided by the First Nation and are recognized when the service has been provided.

**Measurement uncertainty**

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 expenditures during the reporting period.

Accounts receivable and amounts due from related Nation entities are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

**Liability for contaminated sites**

A liability for remediation of contaminated sites is recognized at the best estimate of the amount required to remediate the contaminated sites 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, 2015.

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 is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Segments**

The First Nation conducts its business through 8 of reportable segments as identified in the attached schedules. 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 and as part of its funding requirements.

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 and are apportioned based on a percentage of budgeted revenue, where permitted by the funding agencies.

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

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

**Recent accounting pronouncements**

**Financial Instruments**

In June 2011, the Public Sector Accounting Board (PSAB) issued *PS 3450 Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2019.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The First Nation has not yet determined the effect of these new standards on its financial statements.

**Related Party Disclosures and Inter-Entity Transactions**

In March 2015, the Public Sector Accounting Board (PSAB) issued *PS 2200 Related Party Disclosures* and *PS 3420 Inter-Entity Transactions*. These new Sections define related parties and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

These standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**Assets**

In June 2015, the PSAB issued *PS 3210 Assets*. The new Section provides guidance for applying the definition of assets set out in *PS 1000 Financial Statement Concepts*. Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.

An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

**Contractual Rights**

In June 2015, the PSAB issued *PS 3380 Contractual Rights*. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right. Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

Disclosures should include descriptions about nature, extent and timing. The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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

**Contingent Assets**

In June 2015, the PSAB issued *PS 3320 Contingent Assets*. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset. Disclosures should include existence, nature and extent of contingent assets, as well as the reasons for any non-disclosure of extent and the bases for any estimates of extent made.

When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such disclosure would have an adverse impact on the outcome. The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

**3. Restricted cash**

Restricted cash consists of amounts relating to CMHC replacement reserve of \$nil (2014 - \$110,215).

**4. Accounts receivable**

	2015	2014
Aboriginal Affairs and Northern Development Canada	141,621	107,431
Health and Welfare Canada	38,292	2,043
CMHC subsidy assistance receivable	13,294	10,583
Members	115,894	110,524
Due from Ottawa Trust Fund	352,733	-
Other	238,228	268,013
	<b>900,062</b>	498,594
Less: Allowance for doubtful accounts	114,063	102,888
	<b>785,999</b>	395,706

Amounts due from Ottawa Trust Fund are for amounts approved for transfer at March 31, 2015 but for which the cash was not received by the First Nation as at March 31, 2015.

**5. Portfolio investments**

	2015	2014
Measured at cost:		
PHC Holdings Limited Partnership - 14.28%	331,558	311,065

Summarized financial information as at December 31, 2014 for the partnership is presented below:

	Assets	Liabilities	Revenue	Expenses	Income
PHC Holdings Limited Partnership	11,047,703	8,273,881	2,012,789	1,125,457	887,332

The Key First Nations partners' capital account in PHC Holdings Limited Partnership as at December 31, 2014 is \$331,558.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**6. Advances to related Nation entities**

Advances to related Nation entities are unsecured, non-interest bearing and without fixed terms of repayment. All transactions with related parties are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2015	2014
Advances to Pelly Haylands Trust	1,805	-
Advances from Key First Nation Pelly Haylands Band Account	(2,175)	-
Advances to Key First Nation Pelly Haylands Authorized Expense Account	1,275	-
	<b>905</b>	<b>-</b>

**7. Funds held in trust**

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

	2015	2014
<b>Capital Trust</b>		
Balance, beginning and end of year	506	506
<b>Revenue Trust</b>		
Balance, beginning of year	5,540	8,774
Interest	5,413	4,841
Land leases	365,834	293,925
	<b>376,787</b>	307,540
Less: withdrawals	352,733	302,000
Balance, end of year	24,054	5,540
Total funds held in trust	<b>24,560</b>	6,046

**8. Bank indebtedness**

At March 31, 2015, the First Nation had lines of credit totaling \$183,500 (2014 - \$nil), none of which were drawn on. The 2011 Case 580N Back Hoe and mortgage proceeds on CMHC loans are pledged as collateral. Bank indebtedness consists of \$143,477 in outstanding cheques.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**9. 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>Recognized as revenue</i>	<i>Balance, end of year</i>
AANDC	297,777	45,000	213,773	129,004
First Nations Trust	-	422,650	380,608	42,042
Health Canada	24,517	-	24,517	-
Other	38,700	33,750	-	72,450
	<b>360,994</b>	<b>501,400</b>	<b>618,898</b>	<b>243,496</b>

AANDC Deferred revenue relates to the following:

	<u>2015</u>	<u>2014</u>
Lands	84,004	150,119
Water Treatment Plant	25,000	-
Solid Waste	20,000	-
School Tuition	-	132,814
Sanitation	-	10,134
Education	-	3,310
Prevention	-	1,400
	<u>129,004</u>	<u>297,777</u>

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**10. Long-term debt**

The following CMHC loans are secured by government guarantees, and relate to the construction of on-reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following loans:

<u>CMHC Phase</u>	<u>Monthly Payment Including Interest</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>2015</u>	<u>2014</u>
I	1,747	18.50%	Mar. 1, 2017	<b>35,013</b>	47,810
II	1,776	18.25%	Jun. 1, 2017	<b>39,284</b>	53,202
V	709	2.99%	Mar. 1, 2017	<b>16,510</b>	24,454
VI	1,876	3.35%	Dec. 1, 2017	<b>59,068</b>	79,469
VII	587	4.39%	Mar 1, 2017	<b>13,478</b>	19,849
VIII	363	1.92%	Apr. 1, 2024	<b>36,306</b>	39,994
IX	1,171	2.63%	Mar. 1, 2026	<b>134,190</b>	144,904
X	1,172	1.53%	Nov. 1, 2027	<b>109,160</b>	173,587
XI	748	1.92%	Jan. 1, 2029	<b>398,773</b>	116,171
XII	1,987	2.37%	Jul. 1, 2036	<b>398,773</b>	413,854
				<b>1,003,647</b>	1,113,295
Royal Bank term loan, interest at prime rate plus 2%, repayable in full in July 2015.				<b>400,000</b>	-
Royal Bank term loan, interest at prime rate plus 2.75%, quarterly payments of \$20,834, repayable in full in June 2015.				<b>187,498</b>	-
Royal Bank demand loan, interest at prime rate plus 2%, semi annual payments of \$12,000, matured April 2014.				-	12,000
Royal Bank capital lease, interest at 5.525%, quarterly payments of \$11,101, matured November 2014.				-	22,201
				<b>1,591,145</b>	1,147,496
Less: current portion				<b>704,696</b>	106,400
				<b>886,449</b>	1,041,096

Principal repayments on long-term debt in each of the next five years, assuming loans subject to renewal are renewed with similar terms, are estimated as follows:

	Total
2016	704,696
2017	122,594
2018	70,717
2019	50,661
2020	51,749
	<b>1,000,417</b>
Thereafter	<b>590,728</b>

Interest on long-term debt amounted to \$43,613 (2014 - \$49,551).



**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**11. Contingencies**

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. This amount cannot be reasonably estimated at this point in time.

**12. Subsequent event**

Subsequent to year end, land was purchased in Yorkton for \$1,022,000. During the year, \$46,295 was incurred to purchase the land and has been included in capital assets. The purchase was finalized on May 1, 2015.

**13. Tangible capital assets**

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2015 Net book value</i>
Buildings	3,839,135	-	-	1,826,155	2,012,980
Housing	3,921,871	899,707	-	1,965,721	2,855,857
Equipment	579,419	-	-	539,800	39,619
Water	614,560	-	-	293,606	320,954
Land	1,826,806	1,522,547	-	-	3,349,353
Vehicles	154,066	-	-	111,665	42,401
	<b>10,935,857</b>	<b>2,422,254</b>	<b>-</b>	<b>4,736,947</b>	<b>8,621,164</b>

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2014 Net book value</i>
Buildings	3,839,247	5,550	5,662	1,666,687	2,172,448
Housing	3,921,871	-	-	1,838,765	2,083,106
Equipment	571,438	7,981	-	498,694	80,725
Water	614,560	-	-	265,379	349,181
Land	132,558	1,694,248	-	-	1,826,806
Vehicles	139,066	15,000	-	86,905	67,161
	<b>9,218,740</b>	<b>1,722,779</b>	<b>5,662</b>	<b>4,356,430</b>	<b>6,579,427</b>

During the year and March 31, 2015 amortization expense of \$380,517 (2014 - \$385,425) was recorded of which \$159,468 (2014 - \$159,573) related to buildings, \$126,957 (2014 - \$131,960) related to housing, \$41,106 (2014 - \$40,906) related to equipment, \$28,226 (2014 - \$28,226) related to water, \$24,760 (2014 - \$24,760) related to vehicles.

Buildings include Phase 13 CMHC houses with a carrying value of \$899,707 (2014 - \$nil). No amortization of these assets has been recorded during the year because they are currently under construction.

**14. CMHC Reserves**

Operating reserve

The First Nation's CMHC Housing Program receives funding to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this program. Any operating surpluses are retained in an operating reserve fund, which can be used to recover future operating deficits.

Replacement reserve

A replacement reserve has been established for replacement of capital equipment and for major repairs to the houses. Pursuant to CMHC agreements, operating provisions of \$40 per unit per month are made for phases I, II, V, VI, and VII, \$50 for phases VIII, \$101 for phase IX, \$98 for phase X, \$95 for phase XI and \$100 for phase XII. Any applicable expenditure is charged against the reserve.

Surplus reserve

For phases 1 through 12 (pre 1997 - 2% program), if a project has a surplus, a maximum of \$500 per house may be charged to operations and reserved for future operating losses.

At March 31, 2015 the replacement reserve is under-funded by \$202,353 (2014 - under-funded by \$72,861), the operating reserve fund is under-funded by \$84,088 (2014 - under-funded by \$82,158).

**15. Accumulated surplus**

Accumulated surplus consists of the following:

	2015	2014
Equity in Ottawa Trust Funds	24,560	6,046
Equity in CMHC operating reserve	84,088	82,158
Equity in CMHC replacement reserve	185,158	183,076
Equity in CMHC subsidy surplus	(122,693)	(184,039)
Equity in tangible capital assets	7,030,019	5,431,931
Unrestricted surplus	1,001,843	1,190,129
	<b>8,202,975</b>	<b>6,709,301</b>

The First Nation does not maintain a moveable asset reserve.

**16. Economic dependence**

The Key First Nation receives a significant portion of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by AANDC 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.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**17. AANDC Reconciliation**

	2015	2014
AANDC funding per confirmation	2,259,124	2,290,805
Less: reversal of prior year receivables	(6,788)	-
	<b>2,252,336</b>	2,290,805
<b>Less: recovery of funding</b>		
High school tuition	13,108	(24,240)
Special needs	(9,308)	(9,244)
National child benefit	(439)	-
Basic needs	521	-
Band administration	(7,342)	-
Band employee benefits	(967)	-
	<b>(4,427)</b>	(33,484)
Deferred revenue - beginning of year	297,777	282,144
Deferred revenue - end of year	(129,004)	(297,777)
	<b>168,773</b>	(15,633)
	<b>2,416,682</b>	2,241,688

**18. Reconciliation of funding from Health Canada**

	2015	2014
Funding per Health Canada confirmation	354,969	343,581
<b>Less: recoveries</b>		
Community health representative	(2,640)	-
Medical transportation	(5,767)	-
Health committee	(580)	-
Brighter futures	(696)	-
CPNP	(956)	-
CDC/CDHE	(540)	-
Band administration	-	(8,593)
	<b>(11,179)</b>	(8,593)
Deferred revenue - beginning of year	24,517	2,049
Deferred revenue - end of year	-	(24,517)
	<b>24,517</b>	(22,468)
	<b>368,307</b>	312,520

**19. Segments**

The First Nation has 8 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

**Band Government** - includes administration and governance activities.

**Education** - includes the operations of education programs.

**Economic Development** - includes activities for the development of the First Nation's land and resources.

**Social** - activities include delivering social programs.

**Community** - includes activities for the maintenance of the community and its infrastructure.

**Housing** - includes the operations of housing programs.

**Community Health** - includes operation of health programs.

**Other** - other band programs which do not meet the criteria for the other segments.

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

**20. Comparative figures**

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

**21. Change in accounting policy**

***Liability for contaminated sites***

Effective April 1, 2014, the First Nation adopted the recommendations relating to *PS 3260 Liability for Contaminated Sites*, as set out in the Canadian public sector accounting standards. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, no accounting policy existed to account for a liability for contaminated sites. Under the new recommendations, the First Nation is required to recognize a liability for contaminated sites when economic benefits will be given up, as described in Note 2, *Significant Accounting Policies*.

There was no effect on the First Nation's financial statements of adopting the above-noted change in accounting policy.

**22. Correction of an error**

During the year, the First Nation determined that the investment in PHC Holdings Limited Partnership should be recorded as a portfolio investment at cost. It was also determined that the First Nation did not correctly record the Ottawa Trust Fund interest and lease income and recorded withdrawals from the Trust as revenue instead. Also, it was determined that the First Nation did not fully consolidate Key Band Land Holdings or Key First Nation Pelly Haylands Holding Corporation financial assets or liabilities. For 2014, the impact on the consolidated financial statements is as follows:

**2014**

**Consolidated Statement of Financial Position**

Increase in portfolio investment	311,065
Increase in accounts receivable	54,180
Increase in accounts payable	(16,442)
Increase in deferred revenue	(38,700)
Increase in prepaid expenses	5,596
Increase in tangible capital assets	4,853
Increase in accumulated surplus, beginning of year	(262,193)

**Statement of operations**

Decrease in lease income	4,055
Increase in earnings from portfolio investments	(55,971)
Increase in loss on disposal of asset	1,421
Increase in interest income	(4,841)
Increase in other income	(6,300)
Increase in professional fees	1,168
Increase in property taxes	1,865
Increase in amortization	244
Increase in annual surplus	58,359

**23. Issuance of financial statements after July 31, 2015**

The First Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to AANDC by July 31, 2015. As the audit report date is dated after this date, the First Nation is in violation of this requirement. The possible effect on this violation has not yet been determined.

**24. Budget information**

The disclosed budget information has been approved by the Chief and Council of the First Nation on June 26, 2014.

**25. Other information**

Repairs and maintenance expenses include payments of \$570,878 for Band Development.

Band Development includes costs for new housing, membership assistance, cultural assistance, home renovation grants and small business grants.

**The Key First Nation**  
**Schedule 1 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015 Actual</b>	<b>2014 Actual</b>
Repairs and maintenance (Note 25)	180,863	1,112,920	377,431
Salaries and benefits	912,499	1,013,580	1,044,651
Student expenses	850,428	917,683	939,072
Social assistance	352,475	462,287	410,612
Amortization	-	380,517	385,425
Contracted services	171,969	330,560	284,589
Community events	5,000	224,922	169,826
Travel	100,892	201,522	205,131
Band support	12,000	157,407	85,284
Insurance	64,697	86,743	83,469
Meeting	29,153	76,484	154,093
Funeral	47,000	72,390	48,578
Professional fees	48,000	67,436	77,061
Utilities	51,500	65,904	79,515
Community donations	-	60,905	439,544
Interest on long-term debt	16,000	43,613	49,551
Consulting	22,800	40,394	73,372
Office supplies	31,604	38,249	34,046
Program expense	19,000	31,609	7,301
Telephone	35,896	30,431	32,462
Supplies	9,150	22,443	9,880
Bank charges and interest	10,636	20,118	16,772
Training	12,964	15,239	29,414
Property tax	6,770	12,086	8,315
Bad debts	-	11,175	-
Elders fees	-	6,250	5,290
Advertising	1,200	5,631	4,416
Rent	15,000	-	-
Administration (recovery)	(8,076)	-	(5,397)
	<b>2,999,420</b>	<b>5,508,498</b>	<b>5,049,703</b>

**The Key First Nation  
Band Government**  
**Schedule 2 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	286,292	332,651	329,810
Health Canada	(6,000)	-	(8,593)
Other	342,410	113,795	123,874
Earnings from portfolio investments	47,231	20,493	55,971
Yorkton Tribal Council	-	-	4,500
	<b>669,933</b>	<b>466,939</b>	<b>505,562</b>
<b>Expenses</b>			
Salaries and benefits	443,879	467,832	498,187
Band support	12,000	157,407	85,284
Travel	70,000	111,960	79,022
Contracted services	60,000	92,634	130,470
Funeral	47,000	72,390	48,578
Consulting	22,800	35,394	34,131
Professional fees	48,000	29,830	49,693
Office supplies	18,000	26,540	21,148
Telephone	22,000	19,396	22,713
Meeting	9,139	18,510	13,550
Program expense	15,000	17,863	910
Bank charges and interest	10,000	15,965	11,905
Bad debts	-	11,175	-
Amortization	-	8,890	8,891
Repairs and maintenance	20,000	6,743	-
Elders fees	-	6,250	3,190
Advertising	1,200	3,686	1,969
Insurance	-	1,863	470
Training	1,000	911	1,533
Community events	-	-	5,600
Rent	15,000	-	-
Administration (recovery)	(133,428)	(161,068)	(169,893)
	<b>681,590</b>	<b>944,171</b>	<b>847,351</b>
<b>Deficit before transfers</b>	<b>(11,657)</b>	<b>(477,232)</b>	<b>(341,789)</b>
<b>Transfers between programs</b>	<b>80,000</b>	<b>495,714</b>	<b>497,000</b>
<b>Surplus</b>	<b>68,343</b>	<b>18,482</b>	<b>155,211</b>

**The Key First Nation**  
**Education**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	<b>1,018,695</b>	<b>1,192,152</b>	1,130,121
Yorkton Tribal Council	-	-	1,851
	<b>1,018,695</b>	<b>1,192,152</b>	1,131,972
<b>Expenses</b>			
Student expenses	<b>850,428</b>	<b>917,683</b>	939,072
Administration	<b>59,628</b>	<b>59,628</b>	60,080
Salaries and benefits	<b>37,000</b>	<b>45,974</b>	42,001
Contracted services	<b>39,200</b>	<b>36,529</b>	49,169
Amortization	-	<b>24,760</b>	21,760
Repairs and maintenance	<b>16,953</b>	<b>17,349</b>	10,325
Travel	<b>6,100</b>	<b>5,394</b>	3,357
Meeting	<b>1,300</b>	<b>3,137</b>	4,432
Social assistance	<b>5,000</b>	<b>1,700</b>	800
Insurance	<b>2,500</b>	<b>1,475</b>	130
Bank charges and interest	<b>86</b>	<b>77</b>	670
Office supplies	<b>500</b>	<b>14</b>	-
Training	-	-	11,141
Interest on long-term debt	-	-	3,104
	<b>1,018,695</b>	<b>1,113,720</b>	1,146,041
<b>Surplus (deficit) before transfers</b>	-	<b>78,432</b>	(14,069)
<b>Transfers between programs</b>	-	-	41,000
<b>Surplus</b>	-	<b>78,432</b>	26,931



**The Key First Nation**  
**Economic Development**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	78,655	144,770	70,198
Painted Hand CDC	-	222,833	224,203
Yorkton Tribal Council	46,700	46,700	46,700
Other	-	-	(63,115)
	<b>125,355</b>	<b>414,303</b>	<b>277,986</b>
<b>Expenses</b>			
Community events	-	206,913	140,989
Salaries and benefits	64,559	43,817	32,166
Administration	12,535	12,536	17,692
Travel	10,529	8,938	6,733
Meeting	1,500	8,751	12,296
Repairs and maintenance (recovery)	3,000	8,627	5,539
Contracted services	33,232	7,398	4,350
Professional fees	-	5,331	-
Training	-	1,500	-
Utilities	-	486	-
Supplies	-	70	250
Office supplies	-	24	-
	<b>125,355</b>	<b>304,391</b>	<b>220,015</b>
<b>Surplus</b>	<b>-</b>	<b>109,912</b>	<b>57,971</b>

**The Key First Nation  
Social**

**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	<b>422,962</b>	<b>470,162</b>	475,336
Yorkton Tribal Council	-	-	1,000
	<b>422,962</b>	<b>470,162</b>	476,336
<b>Expenses</b>			
Social assistance	<b>347,475</b>	<b>460,587</b>	409,812
Salaries and benefits	<b>31,200</b>	<b>39,491</b>	37,223
Contracted services	<b>13,800</b>	<b>31,125</b>	16,666
Administration	<b>13,042</b>	<b>13,562</b>	15,718
Training	<b>8,500</b>	<b>11,028</b>	10,000
Bank charges and interest	-	<b>1,745</b>	2,143
Travel	<b>2,000</b>	<b>89</b>	33,428
Meeting	-	-	10,218
	<b>416,017</b>	<b>557,627</b>	535,208
<b>Surplus (deficit)</b>	<b>6,945</b>	<b>(87,465)</b>	(58,872)

**The Key First Nation  
Community**  
**Schedule 6 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	<b>92,352</b>	<b>215,679</b>	109,777
Other	<b>29,630</b>	<b>3,135</b>	21,820
Yorkton Tribal Council	-	-	2,424
	<b>121,982</b>	<b>218,814</b>	134,021
<b>Expenses</b>			
Amortization	-	<b>219,710</b>	222,571
Repairs and maintenance	<b>57,040</b>	<b>110,448</b>	60,422
Salaries and benefits	<b>77,170</b>	<b>59,301</b>	63,388
Contracted services	<b>4,250</b>	<b>41,872</b>	14,423
Utilities	<b>48,000</b>	<b>38,657</b>	62,202
Insurance	<b>25,000</b>	<b>22,676</b>	19,200
Administration	<b>14,485</b>	<b>14,659</b>	11,052
Travel	<b>1,800</b>	<b>1,307</b>	1,270
Bank charges and interest	-	<b>120</b>	-
Training	<b>1,000</b>	-	1,568
Interest on long-term debt	-	-	1,905
	<b>228,745</b>	<b>508,750</b>	458,001
<b>Deficit before transfers</b>	<b>(106,763)</b>	<b>(289,936)</b>	(323,980)
<b>Transfers between programs</b>	-	-	83,000
<b>Deficit</b>	<b>(106,763)</b>	<b>(289,936)</b>	(240,980)

**The Key First Nation  
Housing**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	114,079	61,268	114,079
Canada Mortgage and Housing Corporation	-	152,821	128,954
Other	-	16,746	8,319
Rental income	-	79,037	86,539
Interest income	-	27	38
	<b>114,079</b>	<b>309,899</b>	<b>337,929</b>
<b>Expenses</b>			
Repairs and maintenance	80,474	350,457	86,783
Amortization	-	126,957	131,959
Insurance	37,197	47,619	54,526
Interest on long-term debt	-	35,985	43,690
Salaries and benefits	-	35,631	20,863
Contracted services	-	14,443	15
Administration	-	11,408	16,008
Meeting	-	8,351	3,492
Professional fees	-	8,000	8,000
Travel	-	7,974	6,251
Office supplies	11,408	214	10,207
Bank charges and interest	-	-	367
	<b>129,079</b>	<b>647,039</b>	<b>382,161</b>
<b>Deficit before transfers</b>	<b>(15,000)</b>	<b>(337,140)</b>	<b>(44,232)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>167,646</b>	<b>-</b>
<b>Deficit</b>	<b>(15,000)</b>	<b>(169,494)</b>	<b>(44,232)</b>

**The Key First Nation**  
**Community Health**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	-	-	12,366
Health Canada	<b>264,830</b>	<b>368,307</b>	321,113
Yorkton Tribal Council	<b>117,060</b>	<b>172,870</b>	163,669
Other	<b>13,566</b>	<b>9,946</b>	1,163
	<b>395,456</b>	<b>551,123</b>	498,311
<b>Expenses</b>			
Salaries and benefits	<b>258,691</b>	<b>291,397</b>	294,092
Contracted services	<b>21,487</b>	<b>104,079</b>	62,596
Travel	<b>10,463</b>	<b>53,859</b>	19,669
Administration	<b>25,662</b>	<b>49,277</b>	43,947
Repairs and maintenance	<b>3,396</b>	<b>48,418</b>	1,073
Utilities	<b>3,500</b>	<b>26,760</b>	17,313
Supplies	<b>9,150</b>	<b>22,314</b>	9,251
Community events	<b>5,000</b>	<b>18,008</b>	23,237
Meeting	<b>17,214</b>	<b>15,010</b>	10,161
Program expense	<b>4,000</b>	<b>13,746</b>	5,390
Insurance	-	<b>13,109</b>	9,144
Office supplies	<b>1,696</b>	<b>11,458</b>	2,691
Telephone	<b>13,896</b>	<b>11,035</b>	9,750
Training	<b>2,464</b>	<b>1,800</b>	4,173
Bank charges and interest	<b>350</b>	<b>1,388</b>	1,002
	<b>376,969</b>	<b>681,658</b>	513,489
<b>Surplus (deficit)</b>	<b>18,487</b>	<b>(130,535)</b>	(15,178)

**The Key First Nation**  
**Other**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 24)</b>	<b>2015</b>	<b>2014</b>
<b>Revenue</b>			
Pelly Haylands	-	2,512,774	3,013,051
Lease income	385,330	473,684	358,425
First Nations Trust	385,000	380,609	448,988
Other	-	6,300	6,300
Interest income	-	5,413	4,841
Loss on disposal of asset	-	-	(1,421)
	<b>770,330</b>	<b>3,378,780</b>	<b>3,830,184</b>
<b>Expenses</b>			
Repairs and maintenance	-	570,878	213,289
Community donations	-	60,905	439,544
Salaries and benefits	-	30,137	56,732
Professional fees	-	24,275	19,368
Meeting	-	22,725	99,943
Property tax	6,770	12,086	8,315
Travel	-	12,000	55,399
Interest on long-term debt	16,000	7,628	852
Consulting	-	5,000	39,241
Contracted services	-	2,480	6,900
Advertising	-	1,945	2,446
Bank charges and interest	200	823	685
Amortization	-	201	244
Supplies	-	59	379
Program expense	-	-	1,000
Elders fees	-	-	2,100
Training	-	-	1,000
	<b>22,970</b>	<b>751,142</b>	<b>947,437</b>
<b>Surplus before transfers</b>	<b>747,360</b>	<b>2,627,638</b>	<b>2,882,747</b>
<b>Transfers between programs</b>	<b>(80,000)</b>	<b>(663,360)</b>	<b>(621,000)</b>
<b>Surplus</b>	<b>667,360</b>	<b>1,964,278</b>	<b>2,261,747</b>