

**The Key First Nation**  
**Consolidated Financial Statements**  
*March 31, 2019*

# The Key First Nation

## Contents

For the year ended March 31, 2019

---

### Page

#### Management's Responsibility

#### Independent Auditor's Report

#### Consolidated Financial Statements

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Debt.....	3
Consolidated Statement of Cash Flows.....	4

Notes to the Consolidated Financial Statements.....	5
---	---

#### Schedules

Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	16
Schedule 2 - Schedule of Consolidated Expenses by Object.....	18
Schedule 3 - Schedule of Revenue and Expenses - Band Government.....	19
Schedule 4 - Schedule of Revenue and Expenses - Education.....	20
Schedule 5 - Schedule of Revenue and Expenses - Economic Development.....	21
Schedule 6 - Schedule of Revenue and Expenses - Social.....	22
Schedule 7 - Schedule of Revenue and Expenses - Community.....	23
Schedule 8 - Schedule of Revenue and Expenses - Housing.....	24
Schedule 9 - Schedule of Revenue and Expenses - Community Health.....	25
Schedule 10 - Schedule of Revenue and Expenses - Other.....	26

---

## **Management's Responsibility**

---

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 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. Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Council is also responsible for appointing the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by 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 Council and management to discuss their audit findings.

July 31, 2019

"Original Signed by Joanne Griffith"

---

# Independent Auditor's Report

---

To the Members of The Key First Nation:

## Qualified Opinion

We have audited the consolidated financial statements of The Key First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net debt, cash flows, and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2019, and the results of its consolidated operations, consolidated change in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Qualified Opinion

In the prior year, MNP was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Management was unable to provide appropriate audit evidence to support a significant number of transactions which were recorded as expenses. We were unable to satisfy ourselves that all expenditures had been recorded, nor were we able to satisfy ourselves that the recorded transactions were proper and authorized. Since the opening statement of financial position can enter into the determination of the results of operations, accumulated surplus, change in net debt, and cash flows, we were unable to determine whether adjustments might have been necessary in the current year in respect to the results of the operations and cash flows. Our opinion on the current year's results of operations and cash flows is modified because of the possible effects of this matter as well as the effect this matter has on the comparability of the current year's figures and corresponding figures.

## Emphasis of Matter - Contingent Asset

We draw attention to Notes 11 and 12 to the consolidated financial statements which describes that The Key First Nation initiated a claim against the Government of Canada for damages sustained by the Nation. The Nation has obtained a loan to fund costs of negotiations and has taken insurance to cover the repayment of the loan if they are in excess of settlement proceeds.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

## Independent Auditor's Report *continued*

---

- Obtain an understanding of internal control relevant to the audit 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan

July 31, 2019

*MNP LLP*

Chartered Professional Accountants

**The Key First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2019*

	2019	2018
<b>Financial assets</b>		
<b>Current</b>		
Cash	451,887	215,365
Restricted cash (Note 4)	843,001	1,004,022
Accounts receivable (Note 5)	362,418	275,012
	<b>1,657,306</b>	1,494,399
<b>Restricted cash (Note 4)</b>	<b>116</b>	472
<b>Portfolio investments (Note 6)</b>	<b>81,729</b>	147,835
<b>Receivable from Key First Nation Pelly Hayland Trust (Note 7)</b>	<b>383,221</b>	154,646
<b>Funds held in trust (Note 8)</b>	<b>2,975</b>	365,540
<b>Co-op equity</b>	<b>15,000</b>	15,000
<b>Total financial assets</b>	<b>2,140,347</b>	2,177,892
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 9)	121,340	171,474
Accounts payable and accruals	747,940	792,949
Deferred revenue (Note 10)	927,399	1,070,609
Current portion of long-term debt (Note 11)	394,215	373,570
	<b>2,190,894</b>	2,408,602
<b>Long-term debt (Note 11)</b>	<b>3,004,990</b>	3,079,844
<b>Total financial liabilities</b>	<b>5,195,884</b>	5,488,446
<b>Net debt</b>	<b>(3,055,537)</b>	(3,310,554)
<b>Contingent asset (Note 12)</b>		
<b>Contingent liability (Note 13)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	8,885,983	9,147,582
Prepaid expenses	21,355	20,336
<b>Total non-financial assets</b>	<b>8,907,338</b>	9,167,918
<b>Accumulated surplus (Note 15)</b>	<b>5,851,801</b>	5,857,364
<b>Approved on behalf of the Chief and Council</b>		

"Original Signed by Clarence Papequash" **Chief**

"Original Signed by Clinton Key" **Councilor**

**The Key First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2019*

		<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>				
Indigenous Services Canada (Note 17)		2,462,633	2,881,684	2,724,200
First Nations and Inuit Health Branch (Note 18)		538,878	539,908	387,223
Canada Mortgage and Housing Corporation		-	148,644	262,637
Pelly Haylands		1,278,948	1,046,019	782,175
Lease income		976,600	608,914	611,620
First Nations Trust		415,000	425,413	431,284
Yorkton Tribal Council		328,159	378,207	274,660
Other		96,700	168,902	178,506
Painted Hand CDC		-	140,269	140,810
Rental income		-	49,871	93,383
Interest income		-	5,516	5,493
Contributions		-	3,174	-
		<b>6,096,918</b>	<b>6,396,521</b>	<b>5,891,991</b>
<b>Program expenses</b>				
Band Government	3	1,031,262	1,811,087	2,700,107
Education	4	656,642	1,178,411	1,178,364
Economic Development	5	224,228	346,940	649,695
Social	6	421,261	476,353	419,608
Community	7	225,423	603,231	857,006
Housing	8	114,079	373,449	796,346
Community Health	9	571,667	782,937	596,330
Other	10	685,000	829,676	641,517
<b>Total expenses</b>		<b>3,929,562</b>	<b>6,402,084</b>	<b>7,838,973</b>
<b>(Deficit) surplus before other item</b>		<b>2,167,356</b>	<b>(5,563)</b>	<b>(1,946,982)</b>
<b>Other item</b>				
Loss on disposal of tangible capital assets		-	-	(61,423)
<b>Annual (deficit) surplus</b>		<b>2,167,356</b>	<b>(5,563)</b>	<b>(2,008,405)</b>
<b>Accumulated surplus, beginning of year</b>		<b>5,857,364</b>	<b>5,857,364</b>	<b>7,865,769</b>
<b>Accumulated surplus, end of year (Note 15)</b>		<b>8,024,720</b>	<b>5,851,801</b>	<b>5,857,364</b>

The accompanying notes are an integral part of these financial statements

**The Key First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Annual (deficit) surplus</b>	<b>2,167,356</b>	<b>(5,563)</b>	<b>(2,008,405)</b>
Purchases of tangible capital assets	-	<b>(137,046)</b>	(58,516)
Amortization of tangible capital assets	-	<b>398,645</b>	392,322
Loss on disposal of tangible capital assets	-	-	61,423
	-	<b>261,599</b>	395,229
Acquisition of prepaid expenses	-	<b>(2,561)</b>	-
Use of prepaid expenses	-	<b>1,542</b>	5,000
	-	<b>(1,019)</b>	5,000
<b>Decrease (increase) in net debt</b>	<b>2,167,356</b>	<b>255,017</b>	<b>(1,608,176)</b>
<b>Net debt, beginning of year</b>	<b>(3,310,554)</b>	<b>(3,310,554)</b>	<b>(1,702,378)</b>
<b>Net debt, end of year</b>	<b>(1,143,198)</b>	<b>(3,055,537)</b>	<b>(3,310,554)</b>

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



**The Key First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2019*

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual deficit	(5,563)	(2,008,405)
Non-cash items		
Amortization	398,645	392,322
Bad debts	11,219	3,728
Loss (gain) on disposal of tangible capital assets	-	61,423
	404,301	(1,550,932)
Changes in working capital accounts		
Accounts receivable	(98,625)	230,120
Prepaid expenses	(1,019)	5,000
Accounts payable and accruals	(45,009)	406,060
Deferred revenue	(143,210)	454,889
	116,438	(454,863)
<b>Financing activities</b>		
Advances of long-term debt	320,420	1,377,535
Repayment of long-term debt	(374,629)	(402,971)
Decrease (increase) in funds held in trust	362,565	(293,462)
(Decrease) increase in bank indebtedness	(50,134)	14,906
	258,222	696,008
<b>Capital activities</b>		
Purchases of tangible capital assets	(137,046)	(58,516)
<b>Investing activities</b>		
Advances to Key First Nation Pelly Hayland Trust	(228,575)	-
Repayment of advances to related Nation entity	-	1,470
Income from portfolio investment	66,106	59,096
Decrease (increase) in restricted cash	161,377	(94,745)
	(1,092)	(34,179)
<b>Increase in cash resources</b>	236,522	148,450
<b>Cash resources, beginning of year</b>	215,365	66,915
<b>Cash resources, end of year</b>	451,887	215,365
<b>Supplementary cash flow information</b>		
Interest paid	96,130	66,224

The accompanying notes are an integral part of these financial statements

**1. Operations**

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 First Nation.

**2. Adopted accounting policies**

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following Sections, as set out in the CPA Canada Public Sector Accounting Handbook:

PS 3430 Restructuring Transactions

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Section.

**3. 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 revenue 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 comprising the Nation reporting entity.

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

- The 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 of December 31, 2018 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 of the Trust.

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 provide Child and Family Services to the thirteen member Nations.

The First Nation does not have a share in the profit or loss of the above entity. As a result, the financial statements of Yorkton Tribal Council Child and Family Services Incorporated have not been consolidated with the financial statements of the First Nation.

***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 for the First Nation, cash in capital project bank accounts and the cash on deposit in CMHC reserve accounts are recorded as restricted assets.

Restricted cash is disclosed in Note 4.

**3. 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. Land is not amortized.

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

***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 debt***

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

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

**Revenue recognition**

**Non-government funding**

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

**Government transfers**

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

**Other 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, amount is measurable and collectibility is reasonably assured.

**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, 2019.

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. No liability for remediation of contaminated sites exists at March 31, 2019.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

**Segments**

The First Nation conducts its business through 8 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.

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

**4. Restricted cash**

Included in cash is restricted cash relating to CMHC replacement reserve and of cash managed by capital project managers who are responsible for payment of expenses relating to capital projects funded by Indigenous Services Canada ("ISC"). Restricted cash consists of the following:

	<b>2019</b>	<b>2018</b>
<b>Current:</b>		
Key First Nation Pelly Haylands Band Account	<b>632,903</b>	793,819
Indigenous Services Canada - capital projects	<b>210,098</b>	210,203
	<b>843,001</b>	1,004,022
<b>Long-term:</b>		
CMHC replacement reserve	<b>116</b>	472
	<b>843,117</b>	1,004,494

**5. Accounts receivable**

	<b>2019</b>	<b>2018</b>
Indigenous Services Canada	<b>92,826</b>	-
First Nations and Inuit Health Branch	<b>5,000</b>	5,002
CMHC	<b>69,386</b>	26,858
Members	<b>176,652</b>	118,851
Other	<b>130,060</b>	226,789
	<b>473,924</b>	377,500
Less: Allowance for doubtful accounts	<b>111,506</b>	102,488
	<b>362,418</b>	275,012

Receivables from members are non-interest bearing with no set terms of repayment and are unsecured.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**6. Portfolio investments**

	2019	2018
Measured at cost:		
PHC Holdings Limited Partnership - 14.28%	81,729	147,835

The Key First Nations partners' capital account in PHC Holdings Limited Partnership as at December 31, 2018 is \$763,405.

**7. Receivable from Key First Nation Pelly Hayland Trust**

Receivable from the Trust 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.

**8. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the First Nations Council, with the consent of the Minister of Indigenous Services Canada.

	2019	2018
<b>Capital Trust</b>		
Balance, beginning and end of year	506	506
<b>Revenue Trust</b>		
Balance, beginning of year	365,034	71,572
Interest	5,621	5,542
Land leases	405,814	527,920
	776,469	605,034
Less: withdrawals	774,000	240,000
Balance, end of year	2,469	365,034
Total funds held in trust	2,975	365,540

During the year, \$774,000 of funds transferred in the current year was expended as follows:

BCR #172 - 2018/2019	\$365,000 (Band Revenue/Chief and Council)
BCR #204 - 2018/2019	\$200,000 (Band Revenue/Chief and Council)
BCR #229 - 2018/2019	\$209,000 (Band Revenue/Chief and Council)

**9. Bank indebtedness**

At March 31, 2019, the First Nation had lines of credit totaling \$283,500 (2018 - \$283,500), none of which were drawn on. The 2011 Case 580N Back Hoe is pledged as collateral. Bank indebtedness consists of \$121,340 (2018 - \$171,474) in outstanding cheques in excess of balances per the bank.

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**10. 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>
ISC	<b>1,022,440</b>	<b>90,332</b>	<b>185,373</b>	<b>927,399</b>
CMHC retrofit	<b>14,419</b>	-	<b>14,419</b>	-
Land lease	<b>33,750</b>	-	<b>33,750</b>	-
	<b>1,070,609</b>	<b>90,332</b>	<b>233,542</b>	<b>927,399</b>

ISC deferred revenue relates to the following:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Renovation and Additions	155,758	250,295
Transfer Station	583,577	583,577
Bridge Repair	89,019	89,019
Water Treatment Plant	31,969	31,969
Planning Design & Construction	30,329	29,783
Sewage Pumping Station	5,487	5,487
Social Assistance - Employment and Training	<u>31,260</u>	<u>32,310</u>
	927,399	1,022,440



**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**11. 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>2019</u>	<u>2018</u>
VIII	363	1.92%	Apr. 1, 2024	<b>21,092</b>	25,005
IX	1,091	1.14%	Mar. 1, 2026	<b>88,085</b>	100,106
X	1,197	1.97%	Nov. 1, 2027	<b>114,376</b>	126,366
XI	748	1.92%	Jan. 1, 2029	<b>80,503</b>	87,874
XII	1,767	1.14%	Jul. 1, 2036	<b>333,382</b>	350,685
XIII	3,847	1.39%	Jun 1, 2030	<b>480,695</b>	519,907
XIV	2,901	2.22%	Jan 1, 2034	<b>439,841</b>	373,195
				<b>1,557,974</b>	1,583,138
Royal Bank term loan, interest at prime plus 2.00%, blended quarterly payments of \$53,800, matures July 2020.				<b>256,473</b>	450,596
Royal Bank term loan, interest at prime plus 1.50%, quarterly principal payments of \$10,937, matures July 2020.				<b>31,456</b>	75,206
Ford Credit Canada loan, interest at 4.67%, quarterly payments of \$10,000 plus interest, matured June 2018.				-	10,029
Royal Bank term loan, interest at prime plus 2%, blended monthly payments of \$6,386, matures July 2025.				<b>411,662</b>	441,450
Royal Bank 1909 surrender claim insurance loan with interest at RBC prime with no fixed repayment terms, secured by insurance policy with AmTrust Europe Limited, due November 2022 (Note 12).				<b>1,141,640</b>	892,995
				<b>3,399,205</b>	3,453,414
Less: current portion				<b>394,215</b>	373,570
				<b>3,004,990</b>	3,079,844

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

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:

2020	394,215
2021	229,376
2022	181,748
2023	1,329,019
2024	195,570
	<hr/>
	2,329,928
	<hr/>
Thereafter	1,069,277
	<hr/>

Interest on long-term debt amounted to \$96,130 (2018 - \$66,224).

**12. Contingent asset**

1909 Surrender Claim

The First Nation has initiated a land surrender claim against the Government of Canada. The First Nation has obtained a loan to finance the costs of negotiating the settlement. Insurance has been obtained to mitigate the risk that the settlement proceeds may be less than the total loan outstanding at such time the claim is resolved.

As of March 31, 2019, expenses totaling \$1,141,640 (2018 - \$892,995) have been incurred and available financing drawn (Note 11). The First Nation anticipates these costs will be paid from settlement proceeds. When the claim is finalized or the insurance proceeds are paid the amounts will be recognized in revenue.

**13. Contingent liability**

Contribution agreements

The First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements may be subject to repayment upon final review by the relevant funding authority. This amount cannot be reasonably estimated at this point in time.

**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 \$50 per unit per month are made for phase VIII, \$101 for phase IX, \$98 for phase X, \$95 for phase XI and \$100 for phase XII and XIII. Any applicable expenditure is charged against the reserve.

At March 31, 2019 the replacement reserve is under-funded by \$136,037 (2018 - under-funded by \$118,484) and the operating reserve fund is under-funded by \$8,279 (2018 - under-funded by \$25,027).

**The Key First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**15. Accumulated surplus**

Accumulated surplus consists of the following:

	2019	2018
Equity in Ottawa Trust Funds	2,975	365,541
Equity in CMHC operating reserve	8,279	25,027
Equity in CMHC replacement reserve	136,152	118,956
Equity in tangible capital assets	7,071,537	7,103,820
Unrestricted deficit	(1,367,142)	(1,755,980)
	<b>5,851,801</b>	<b>5,857,364</b>

The First Nation does not maintain a moveable asset reserve.

At March 31, 2019, a cumulative \$1,141,640 of costs incurred for litigation claims have increased the unrestricted deficit as disclosed in Note 12.

**16. Economic dependence**

The Key First Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC 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.

**17. ISC Reconciliation**

	2019	2018
ISC funding per confirmation	2,784,539	3,349,212
<b>Add (less): funding reconciliations</b>		
Band Employee Benefits	(3,758)	-
Provincial Special Education	(3,240)	-
P&ID - professional services	(12,000)	-
Provincial special education	11,088	(48,719)
Provincial tuition	3,014	-
P&ID - gov capacity dev - by-law policy	7,000	(7,000)
	<b>2,104</b>	<b>(55,719)</b>
Deferred revenue - beginning of year	1,022,440	453,147
Deferred revenue - end of year	(927,399)	(1,022,440)
	<b>95,041</b>	<b>(569,293)</b>
	<b>2,881,684</b>	<b>2,724,200</b>

**18. Reconciliation of funding from First Nations and Inuit Health Branch**

	2019	2018
Funding per First Nations and Inuit Health Branch confirmation	539,908	387,223

**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 3.

**20. Comparative figures**

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

**21. Issuance of financial statements after July 29, 2019**

The First Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 29, 2019. 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.

**22. Budget information**

The disclosed budget information was approved by the Chief and Council of the First Nation on September 4, 2018.

In preparation of the budget, the amount budgeted for interest on long-term debt included the principal portion of loan payments which is not in accordance with Canadian public sector accounting standards. The principal portion of loan payments was adjusted which resulted in a \$351,000 change to the annual deficit budgeted.

The budget process followed by management only includes activities directed by the First Nation. Management does not prepare a budget for capital projects administered through third party project managers.

Budget as approved	1,816,356
Loan principal repayments	<u>351,000</u>
Budget as presented	2,167,356

**The Key First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2019*

	<i>Buildings</i>	<i>Housing</i>	<i>Equipment</i>	<i>Water &amp; Sewer</i>	<i>Land</i>	<i>Subtotal</i>
<b>Cost</b>						
Balance, beginning of year	3,850,411	5,130,733	848,691	632,491	4,316,020	14,778,346
Acquisition of tangible capital assets	-	84,181	-	-	-	84,181
Disposal of tangible capital assets	-	-	-	-	-	-
Balance, end of year	3,850,411	5,214,914	848,691	632,491	4,316,020	14,862,527
<b>Accumulated amortization</b>						
Balance, beginning of year	2,304,976	2,363,473	632,877	379,183	-	5,680,509
Annual amortization	159,607	165,936	27,006	29,123	-	381,672
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	2,464,583	2,529,409	659,883	408,306	-	6,062,181
<b>Net book value of tangible capital assets</b>	<b>1,385,828</b>	<b>2,685,505</b>	<b>188,808</b>	<b>224,185</b>	<b>4,316,020</b>	<b>8,800,346</b>
2018 Net book value of tangible capital assets	1,545,435	2,767,260	215,814	253,308	4,316,020	9,097,837

**The Key First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2019*

	<i>Subtotal</i>	<i>Vehicles</i>	<i>2019</i>	<i>2018</i>
<b>Cost</b>				
Balance, beginning of year	14,778,346	212,498	14,990,844	15,047,226
Acquisition of tangible capital assets	84,181	52,865	137,046	58,516
Disposal of tangible capital assets	-	-	-	(114,898)
Balance, end of year	14,862,527	265,363	15,127,890	14,990,844
<b>Accumulated amortization</b>				
Balance, beginning of year	5,680,509	162,753	5,843,262	5,504,415
Annual amortization	381,672	16,973	398,645	392,322
Accumulated amortization on disposals	-	-	-	(53,475)
Balance, end of year	6,062,181	179,726	6,241,907	5,843,262
<b>Net book value of tangible capital assets</b>	<b>8,800,346</b>	<b>85,637</b>	<b>8,885,983</b>	<b>9,147,582</b>
2018 Net book value of tangible capital assets	9,097,837	49,745	9,147,582	

**The Key First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Consolidated expenses by object</b>			
Salaries and benefits	1,150,517	1,183,031	1,342,993
Student expenses	728,251	1,145,720	931,324
Professional fees	283,000	627,883	406,836
Contracted services	120,396	484,832	657,824
Band support	437,250	439,841	446,763
Amortization	-	398,645	392,322
Social assistance	359,422	397,295	366,855
Repairs and maintenance	191,969	334,745	1,117,017
Community events, culture and recreation	131,007	254,615	407,321
Travel and meetings	157,906	238,142	517,407
Consulting	7,070	156,895	109,329
Insurance	49,837	135,810	481,528
Interest on long-term debt	-	96,130	66,224
Wakes and funerals	50,000	77,746	90,062
Utilities	33,463	69,629	56,361
Per capita distributions	-	68,260	36,984
Office supplies	20,844	43,709	50,433
Bank charges and interest	15,583	41,766	72,867
Supplies	9,700	38,555	36,618
Telephone	37,547	36,891	32,141
Training	1,000	35,548	10,170
Property tax	-	29,754	31,467
Elders	20,000	20,587	29,747
Program expense	56,300	18,124	6,649
Election costs	25,000	16,712	138,003
Bad debts	-	11,219	3,728
Rent	5,000	-	-
Special projects	38,500	-	-
	<b>3,929,562</b>	<b>6,402,084</b>	<b>7,838,973</b>

**The Key First Nation  
Band Government**  
**Schedule 3 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	514,465	580,081	570,440
Lease income	205,600	165,300	-
Other	94,000	76,156	53,802
Yorkton Tribal Council	-	26,246	10,680
	<b>814,065</b>	<b>847,783</b>	<b>634,922</b>
<b>Expenses</b>			
Professional fees	278,000	568,881	360,741
Salaries and benefits	585,046	471,710	592,658
Contracted services	3,000	320,967	377,464
Travel and meetings	91,000	101,183	243,602
Insurance	5,000	99,041	425,908
Consulting	-	91,282	63,796
Wakes and funerals	50,000	77,746	89,612
Community events, culture and recreation	37,000	53,556	143,602
Interest on long-term debt	-	38,974	48,264
Band support	31,000	32,590	109,954
Office supplies	15,000	29,928	31,418
Telephone	23,200	28,652	21,291
Bank charges and interest	15,000	26,454	62,377
Elders	20,000	17,987	29,747
Program expense	-	16,972	340
Election costs	25,000	16,712	138,003
Bad debts	-	9,779	3,728
Training	-	1,024	5,570
Repairs and maintenance	5,000	720	7,135
Utilities	-	-	4,617
Amortization	-	-	1,596
Rent	5,000	-	-
Administration (recovery)	(156,984)	(193,071)	(61,316)
	<b>1,031,262</b>	<b>1,811,087</b>	<b>2,700,107</b>
<b>Deficit before transfers</b>	<b>(217,197)</b>	<b>(963,304)</b>	<b>(2,065,185)</b>
<b>Transfers between programs</b>	<b>661,000</b>	<b>775,160</b>	<b>471,308</b>
<b>(Deficit) surplus</b>	<b>443,803</b>	<b>(188,144)</b>	<b>(1,593,877)</b>



**The Key First Nation**  
**Education**  
**Schedule 4 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	1,141,980	1,118,210	1,094,722
First Nations and Inuit Health Branch	52,500	52,500	-
Yorkton Tribal Council	-	-	73,775
	<b>1,194,480</b>	<b>1,170,710</b>	<b>1,168,497</b>
<b>Expenses</b>			
Student expenses	499,501	987,636	931,324
Salaries and benefits	64,803	82,709	112,460
Administration	15,045	22,432	14,648
Contracted services	35,000	27,378	41,670
Amortization	-	16,973	11,686
Repairs and maintenance	22,440	13,642	17,135
Social assistance	6,812	8,570	6,365
Office supplies	2,644	6,864	5,844
Travel and meetings	5,225	6,842	36,583
Community events, culture and recreation	-	4,916	-
Bank charges and interest	172	449	396
Insurance	5,000	-	253
	<b>656,642</b>	<b>1,178,411</b>	<b>1,178,364</b>
<b>(Deficit) surplus</b>	<b>537,838</b>	<b>(7,701)</b>	<b>(9,867)</b>

**The Key First Nation**  
**Economic Development**  
**Schedule 5 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	100,228	382,393	210,199
Painted Hand CDC	-	140,269	140,810
Yorkton Tribal Council	46,700	46,700	46,700
Other	-	1,500	1,797
	<b>146,928</b>	<b>570,862</b>	399,506
<b>Expenses</b>			
Community events, culture and recreation	77,000	122,282	86,644
Consulting	45,570	65,613	37,334
Salaries and benefits	45,935	52,272	52,035
Administration	14,723	39,693	10,023
Travel and meetings	3,000	21,273	39,613
Repairs and maintenance	18,000	19,172	315,917
Professional fees	5,000	14,188	-
Contracted services	10,000	8,764	75,318
Supplies	5,000	2,097	19,892
Office supplies	-	1,386	3,035
Band support	-	200	9,609
Telephone	-	-	75
Program expense	-	-	200
	<b>224,228</b>	<b>346,940</b>	649,695
<b>Surplus (deficit)</b>	<b>(77,300)</b>	<b>223,922</b>	<b>(250,189)</b>

**The Key First Nation  
Social**

**Schedule 6 - Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	432,390	433,440	440,267
Other	-	930	-
	<b>432,390</b>	<b>434,370</b>	<b>440,267</b>
<b>Expenses</b>			
Social assistance	352,610	388,725	360,490
Salaries and benefits	37,440	41,448	43,920
Training	-	30,524	450
Supplies	11,129	11,129	3,834
Travel and meetings	29,564	2,375	8,903
Administration	1,237	1,237	-
Bank charges and interest	210	556	2,011
Office supplies	200	209	-
Contracted services	-	150	-
	<b>432,390</b>	<b>476,353</b>	<b>419,608</b>
<b>(Deficit) surplus</b>	<b>-</b>	<b>(41,983)</b>	<b>20,659</b>

**The Key First Nation  
Community**  
**Schedule 7 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	146,011	198,822	217,672
Other	-	69,811	300
Yorkton Tribal Council	-	10,850	-
Rental income	-	500	-
Interest (expense)	-	(105)	(50)
	<b>146,011</b>	<b>279,878</b>	<b>217,922</b>
<b>Expenses</b>			
Amortization	-	215,657	215,657
Repairs and maintenance	67,773	138,297	319,443
Salaries and benefits	85,940	89,322	86,605
Contracted services	30,009	58,961	62,789
Utilities	22,375	55,528	31,772
Community events, culture and recreation	-	24,809	125,106
Administration	14,141	15,846	-
Travel and meetings	4,485	3,655	12,275
Bank charges and interest	-	791	-
Telephone	700	365	675
Supplies	-	-	2,534
Training	-	-	150
	<b>225,423</b>	<b>603,231</b>	<b>857,006</b>
<b>Deficit before transfers</b>	<b>(79,412)</b>	<b>(323,353)</b>	<b>(639,084)</b>
<b>Transfers between programs</b>	<b>66,000</b>	<b>64,000</b>	<b>-</b>
<b>Deficit</b>	<b>(13,412)</b>	<b>(259,353)</b>	<b>(639,084)</b>

**The Key First Nation  
Housing**  
**Schedule 8 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Indigenous Services Canada	114,079	155,258	177,363
Canada Mortgage and Housing Corporation	-	148,645	262,638
Rental income	-	49,371	93,383
Other	-	13,774	119,193
	<b>114,079</b>	<b>367,048</b>	<b>652,577</b>
<b>Expenses</b>			
Amortization	-	165,936	163,283
Repairs and maintenance	72,671	94,157	449,952
Salaries and benefits	-	32,039	79,764
Insurance	30,000	30,472	55,366
Interest on long-term debt	-	17,950	17,960
Professional fees	-	16,739	13,374
Administration	11,408	10,747	-
Travel and meetings	-	5,004	6,557
Bank charges and interest	-	405	623
Supplies	-	-	1,168
Contracted services	-	-	8,299
	<b>114,079</b>	<b>373,449</b>	<b>796,346</b>
<b>Deficit before other item</b>	-	<b>(6,401)</b>	<b>(143,769)</b>
<b>Other item</b>			
Loss on disposal of tangible capital assets	-	-	(61,423)
<b>Deficit</b>	-	<b>(6,401)</b>	<b>(205,192)</b>

**The Key First Nation  
Community Health**  
**Schedule 9 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
First Nations and Inuit Health Branch	486,378	487,408	387,223
Indigenous Services Canada	13,480	13,480	13,537
Yorkton Tribal Council	281,459	294,411	143,505
Other	2,700	-	2,000
	<b>784,017</b>	<b>795,299</b>	546,265
<b>Expenses</b>			
Salaries and benefits	386,579	406,329	339,028
Administration	45,204	73,116	13,592
Travel and meetings	24,632	73,554	60,788
Contracted services	42,387	67,112	87,084
Repairs and maintenance	6,085	67,053	7,435
Community events, culture and recreation	17,007	29,052	31,220
Supplies	4,700	25,329	9,191
Utilities	11,088	13,832	18,815
Telephone	13,647	7,874	10,100
Insurance	9,837	6,297	-
Office supplies	3,000	5,106	6,819
Training	1,000	4,000	4,000
Elders	-	2,600	-
Program expense	6,300	1,150	6,109
Bank charges and interest	201	533	2,149
	<b>571,667</b>	<b>782,937</b>	596,330
<b>Surplus (deficit) before transfers</b>	<b>212,350</b>	<b>12,362</b>	(50,065)
<b>Transfers between programs</b>	<b>55,129</b>	-	-
<b>Surplus (deficit)</b>	<b>267,479</b>	<b>12,362</b>	(50,065)

**The Key First Nation**  
**Other**

**Schedule 10 - Schedule of Revenue and Expenses**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 22)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenue</b>			
Key First Nation Pelly Haylands Trust	-	1,046,019	782,175
Lease income	771,000	443,614	611,620
First Nations Trust	415,000	425,413	431,284
Other	-	6,732	1,415
Interest income	1,278,948	5,621	5,542
Contributions	-	3,174	-
	<b>2,464,948</b>	<b>1,930,573</b>	1,832,036
<b>Expenses</b>			
Band support	406,250	407,052	327,200
Student expenses	228,750	158,084	-
Per capita distributions	-	68,260	36,984
Interest on long-term debt	-	39,206	-
Administration	30,000	30,000	23,053
Property tax	-	29,754	31,467
Professional fees	-	28,075	32,721
Travel and meetings	-	24,255	109,086
Community events, culture and recreation	20,000	20,000	20,750
Bank charges and interest	-	12,578	5,311
Salaries and benefits	-	7,203	36,524
Repairs and maintenance	-	1,705	-
Contracted services	-	1,500	5,200
Bad debts	-	1,440	-
Utilities	-	269	1,156
Office supplies	-	216	3,317
Amortization	-	79	99
Wakes and funerals	-	-	450
Consulting	-	-	8,199
	<b>685,000</b>	<b>829,676</b>	641,517
<b>Surplus before transfers</b>	<b>1,779,948</b>	<b>1,100,897</b>	1,190,519
<b>Transfers between programs</b>	<b>(771,000)</b>	<b>(839,160)</b>	(471,308)
<b>Surplus</b>	<b>1,008,948</b>	<b>261,737</b>	719,211