

**Carry the Kettle First Nation  
Consolidated Financial Statements  
March 31, 2014**

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**Consolidated Financial Statements**  
*March 31, 2014*

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**Carry the Kettle First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2014*

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

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

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

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

Chalupiak & Associates, an independent firm of Certified Management Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

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Original signature on file

August 7 , 2014

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Carry the Kettle First Nation

Date

**Chalupiak & Associates**  
**Certified Management Accountant**  
**3261 Saskatchewan Drive, Regina, SK S4T 6S4**  
**Phone (306) 359-3711 Fax (306) 569-3030**

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### **Independent Auditors' Report**

To the Members of  
**Carry the Kettle First Nation**

We have audited the accompanying consolidated financial statements of Carry the Kettle First Nation, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations, accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation'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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### *Basis for Qualified Opinion*

Due to deficiencies in the accounting system, we were unable to satisfy ourselves that all revenue and expenses have been recorded and properly classified.

#### *Qualified Opinion*

Except as noted in the above paragraph, in our opinion these financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2014 and the results of its operations, accumulated surplus, the change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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**Regina, Saskatchewan**  
**July 29, 2014**

**Certified Management Accountants**

**Carry the Kettle First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2014*

	2014	2013
<b>Financial Assets</b>		
Cash (Note 3)	\$ 120,492	\$ 662,166
Restricted cash - other (Note 3)	188,226	1,315,341
Restricted cash - CMHC reserves (Notes 3 and 21)	462,353	310,094
Accounts receivable (Note 5)	600,213	542,487
Due from related business entities (Note 4)	267,847	184,692
Portfolio investment (Note 8)	60,000	-
Equity in related entities (Note 7)	1,156,358	1,192,115
Trust funds held by federal government (Note 9)	<u>17,161,002</u>	<u>16,183,566</u>
	20,016,491	20,390,461
<b>Liabilities</b>		
Accounts payable (Note 11)	1,045,429	678,785
Deferred revenue (Note 13)	173,539	1,629,635
Current portion of CMHC mortgages (Note 15)	282,459	258,250
Current portion of long-term debt (Note 14)	754,227	551,765
CMHC mortgages (Note 15)	2,591,330	2,725,673
Long-term debt (Note 14)	<u>1,556,527</u>	<u>1,109,912</u>
	6,403,511	6,954,020
<b>Net financial assets</b>	<b>13,612,980</b>	<b>13,436,441</b>
<b>Non-financial Assets</b>		
Capital assets (Note 16)	40,454,525	40,165,919
Prepaid expenses (Note 17)	<u>13,218</u>	-
	40,467,743	40,165,919
<b>Accumulated Surplus</b> (Note 18)	<b>\$ 54,080,723</b>	<b>\$ 53,602,360</b>

Approved on behalf of the Carry the Kettle First Nation

original signature on file, **Chief**

original signature on file, **Councilor**

**Carry the Kettle First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - grant	\$ 469,799	\$ 469,799	\$ 469,799
AANDC - fixed	3,695,459	3,695,863	3,242,466
AANDC - set	2,417,056	3,394,600	3,990,093
AANDC - flexible	-	21,000	366,000
AANDC - current year receivable (payable)	22,389	(27,957)	54,149
AANDC - prior period revenue (recovery)	-	-	(7,872)
Health Canada	1,177,390	1,231,891	1,159,585
CMHC - subsidy	-	329,720	319,947
CMHC - RRAP	-	352	-
CMHC - other	15,000	12,800	-
FHQ Tribal Council	290,682	409,451	421,352
First Nations Trust	877,100	986,118	978,703
Earned and held in trust by federal government	1,111,000	1,969,080	1,756,063
Saskatchewan Government	-	312,991	383,357
Keseechiwan Holdings LP	60,000	60,000	60,000
TLE revenue	-	-	85,471
Taxation revenue	676,021	701,389	676,390
Interest revenue	-	105	172
Other revenue	404,635	564,291	310,460
Rental income - CMHC housing	-	127,737	225,456
Increase (decrease) in value of investments	-	24,243	(326,116)
Gain on sale of assets	-	140,000	-
Administration fees - internal allocation (Note 2(i))	(2,000)	123,208	87,414
Deferred revenue - previous year	-	1,629,635	4,708,501
Deferred revenue - current year	-	(173,539)	(1,629,635)
	<b>11,214,531</b>	<b>16,002,777</b>	<b>17,331,755</b>
<b>Expenses</b>			
Community Development (Schedule 1)	1,440,447	3,948,883	5,329,751
Economic Development (Schedule 2)	98,415	32,816	32,147
Education (Schedule 3)	3,191,750	3,183,975	3,105,195
Indian Government Support (Schedule 4)	1,178,880	1,482,126	1,597,733
Land Management (Schedule 5)	379,593	466,314	284,426
Social Development (Schedule 6)	1,912,347	1,844,450	1,838,591
Indian Registration (Schedule 7)	29,726	26,387	21,714
Governance and Institutions of Government (Schedule 8)	18,000	27,726	-
Health (Schedule 9)	1,242,310	1,333,166	1,210,413
CMHC (Schedule 10)	-	340,561	399,598
Other (Schedule 11)	1,354,879	1,606,039	5,148,212
Amortization (Schedule 12)	-	1,231,971	894,329
	<b>10,846,347</b>	<b>15,524,414</b>	<b>19,862,109</b>
<b>Current surplus (deficit)</b>	<b>\$ 368,184</b>	<b>\$ 478,363</b>	<b>\$ (2,530,354)</b>

The accompanying notes are an integral part of the financial statements

**Carry the Kettle First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2014*

	2014	2013
<b>Surplus at beginning of year</b>	\$ 53,602,360	\$ 56,132,714
<b>Current surplus (deficit)</b>	478,363	(2,530,354)
<b>Surplus at end of year (Note 18)</b>	<b>\$ 54,080,723</b>	<b>\$ 53,602,360</b>

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The accompanying notes are an integral part of the financial statements

**Carry the Kettle First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2014*

	2014 Budget	2014	2013
<b>Current surplus (deficit)</b>	\$ 368,184	\$ 478,363	\$ (2,530,354)
Acquisition of tangible capital assets	-	(1,520,577)	(1,343,056)
<u>Amortization of tangible capital assets</u>	<u>-</u>	<u>1,231,971</u>	<u>894,329</u>
	-	(288,606)	(448,727)
<u>Acquisition of prepaid asset</u>	<u>(13,218)</u>	<u>(13,218)</u>	<u>11,453</u>
Increase (decrease) in net financial assets	354,966	176,539	(2,967,628)
<b>Net financial assets at beginning of year</b>	<b>13,436,441</b>	<b>13,436,441</b>	<b>16,404,069</b>
<b>Net financial assets at end of year</b>	<b>\$ 13,791,407</b>	<b>\$ 13,612,980</b>	<b>\$ 13,436,441</b>

The accompanying notes are an integral part of the financial statements

**Carry the Kettle First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2014*

	2014	2013
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ 478,363	\$ (2,530,354)
Items not affecting cash		
Amortization	1,231,971	894,330
	1,710,334	(1,636,024)
Change in non-cash operating working capital		
Accounts receivable	(57,726)	1,693,833
Prepaid expenses	(13,218)	11,453
Portfolio investment	(60,000)	-
Accounts payable	366,643	(236,634)
Deferred revenue	(1,456,096)	(3,078,865)
Current portion of CMHC mortgages	24,209	63,175
	514,146	(3,183,062)
<b>Capital activities</b>		
Additions to capital assets	(1,520,577)	(1,343,055)
<b>Financing activities</b>		
Due to from related business entities	(83,155)	112,500
Proceeds from long-term debt	903,300	1,352,769
Long term debt repaid	(254,223)	(1,444,340)
CMHC mortgage advances	153,203	61,972
CMHC mortgages repaid	(287,545)	(286,557)
	431,580	(203,656)
<b>Investing activities</b>		
Decrease (increase) in value of investments	35,757	326,116
Restricted cash - other	1,127,115	1,553,420
Restricted cash - CMHC	(152,259)	(3,010)
Ottawa Trust Funds	(977,436)	2,759,993
	33,177	4,636,519
<b>Decrease in cash and cash equivalents</b>	(541,674)	(93,254)
<b>Cash and cash equivalents, beginning of year</b>	662,166	755,420
<b>Cash and cash equivalents, end of year</b>	\$ 120,492	\$ 662,166
<b>Represented by</b>		
Cash	\$ 120,492	\$ 662,166

The accompanying notes are an integral part of the financial statements

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**1. General**

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

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

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

**(a) Reporting entity**

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

**(b) Principles of consolidation**

The consolidated financial statements include the financial activities of all operations under the direct control of the First Nation. They do not, however, include the Treaty Land Entitlement Trust nor the lease revenues and earnings of the trust. The Trust is governed by trustees appointed by the First Nation.

Carry the Kettle First Nation business entities, owned or controlled by the First Nation, but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method the business accounting policies are not adjusted to conform with those of the First Nation. It reports the net financial position and operating results in the consolidated financial statements.

Organizations accounted for on a modified equity basis include:

CTK Plastics Ltd.  
CTK Plastics Limited Partnership  
CTK Developments Ltd.  
Nakota Junction Convenience Store Inc.

**(c) Asset classification**

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

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

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

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

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

**(e) Cash and cash equivalents**

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

**(f) Tangible capital assets**

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

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

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	25 years Straight line
Computer equipment	4 years Straight line
Vehicles	4 years Straight line
Equipment - office	4 years Straight line
Machinery	10 years Straight line
Infrastructure	40 years Straight line
Houses - Band	25 years Straight line
Houses - CMHC	25 years Straight line

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

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

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

**(g) Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the year in which they become known.

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

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

**(h) Segments**

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

For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

**(i) Internal charges and transfers**

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

**(j) Revenue recognition**

Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

**(k) Recognition of expenses**

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

**(l) Comparative figures**

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

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**3. Cash and cash equivalents**

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

	2014	2013
<b>Cash</b>		
CMHC operations	\$ 28,020	\$ 14,454
Health operations	73,822	38,880
Project accounts	127,785	386,485
Band operations	(109,135)	222,347
	<hr/> 120,492	<hr/> 662,166
<b>Restricted cash - CMHC reserves</b>		
Replacement reserve	210,376	58,117
Replacement reserve - GIC	251,977	251,977
	<hr/> 462,353	<hr/> 310,094
<b>Restricted cash - other</b>		
Low pressure water	60,702	1,162,572
Lawyers' Trust - specific claims	127,524	152,769
	<hr/> 188,226	<hr/> 1,315,341
<b>Trust funds held by federal government</b>		
Capital	15,144,213	14,390,846
Revenue	2,016,789	1,792,720
	<hr/> 17,161,002	<hr/> 16,183,566
	<hr/> \$ 17,932,073	<hr/> \$ 18,471,167

**4. Due from related business entities**

	2014	2013
Due from CTK Plastics LP	\$ 69,260	\$ 69,260
Due from CTK Holdings Ltd.	2,700	2,700
Due from Nakota Junction Convenience Store Inc.	195,887	112,732
<b>Total</b>	<hr/> \$ 267,847	<hr/> \$ 184,692

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**5. Accounts receivable**

	2014	2013
<b>Due from government and other government organizations</b>		
AANDC	\$ 39,107	\$ 76,585
Health Canada	-	992
CMHC Subsidy	32,983	33,179
<b>Total due from government and other government organizations</b>	<b>72,090</b>	<b>110,756</b>
<b>Due from members</b>		
Advances	505,192	482,217
Advances - health	5,710	3,607
Advances - social development	18,982	-
<b>Total due from members</b>	<b>529,884</b>	<b>485,824</b>
<b>Due from others</b>		
FHQ Tribal Council	46,365	97,218
Taxation revenue	409,144	401,113
Funds held in trust by federal government	146,579	-
Health programs	9,469	10,420
Cypress Hills	117,734	115,013
Other	16,376	18,974
<b>Total due from others</b>	<b>745,667</b>	<b>642,738</b>
<b>Allowance for doubtful accounts</b>	<b>1,347,641</b>	<b>1,239,318</b>
	<b>(747,428)</b>	<b>(696,831)</b>
<b>Total accounts receivable</b>	<b>\$ 600,213</b>	<b>\$ 542,487</b>

The allowance for doubtful accounts is comprised of taxation \$235,802 (2013-\$235,802) and band members \$511,626 (2013-\$461,029)

**6. AANDC - accounts receivable**

	2014	2013
Land Management	\$ 5,162	\$ -
Band Employee Benefits	-	3,723
Basic Needs	33,945	72,862
	<b>\$ 39,107</b>	<b>\$ 76,585</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**7. Equity in related entities**

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

The equity reported below is derived from the latest available financial statements: (CTK Plastics Ltd. - August 31, 2013; CTK Plastics Limited Partnership - December 31, 2013; CTK Developments Ltd. - March 31, 2011; Nakota Junction Convenience Store Inc. - August 31, 2013).

	2014	2013
CTK Plastics Ltd.	\$ 686,372	\$ 686,989
CTK Plastics Limited Partnership	671,246	783,274
CTK Developments Ltd.	(24,156)	(24,156)
Nakota Junction Convenience Store Inc.	(177,104)	(253,992)
<b>Total</b>	<b>\$ 1,156,358</b>	<b>\$ 1,192,115</b>

	CTK Plastics Ltd. & CTK Plastics LP	CTK Development Ltd.	Nakota Junction Convenience Store Inc.	2014 Total	2013 Total
Current assets	\$ 701,444	\$ 9,772	\$ 90,014	\$ 801,230	\$ 860,568
Tangible capital assets	882,974	-	116,528	999,502	1,070,318
Investments	-	270,000	-	270,000	270,000
<b>Total assets</b>	<b>\$ 1,584,418</b>	<b>\$ 279,772</b>	<b>\$ 206,542</b>	<b>\$ 2,070,732</b>	<b>\$ 2,200,886</b>
Current liabilities	\$ 29,594	\$ 6,000	\$ 139,879	\$ 175,473	\$ 302,814
Long-term liabilities	197,206	297,928	243,767	738,901	705,957
<b>Total liabilities</b>	<b>226,800</b>	<b>303,928</b>	<b>383,646</b>	<b>914,374</b>	<b>1,008,771</b>
<b>Equity</b>	<b>1,357,618</b>	<b>(24,156)</b>	<b>(177,104)</b>	<b>1,156,358</b>	<b>1,192,115</b>
<b>Total liabilities and equity</b>	<b>\$ 1,584,418</b>	<b>\$ 279,772</b>	<b>\$ 206,542</b>	<b>\$ 2,070,732</b>	<b>\$ 2,200,886</b>

Revenue	\$ 1,353,756	\$ -	\$ 2,508,799	\$ 3,862,555	\$ 3,975,244
Cost of Sales	1,169,749	-	1,968,286	3,138,035	3,494,219
Expenses	296,614	-	463,625	760,239	807,148
<b>Total expenses</b>	<b>1,466,363</b>	<b>-</b>	<b>2,431,911</b>	<b>3,898,274</b>	<b>4,301,367</b>
<b>Net income</b>	<b>\$ (112,607)</b>	<b>\$ -</b>	<b>\$ 76,888</b>	<b>\$ (35,719)</b>	<b>\$ (326,123)</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**8. Portfolio investments**

	2014	2013
Keseechiwan Holdings LP (8.3% interest)	\$ 60,000	\$ -

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

	2014 Revenue	2014 Capital	2014 Total	2013 Total
Balance, beginning of year	\$ 1,792,720	\$ 14,390,846	\$ 16,183,566	\$ 18,943,559
Withdrawals	(835,145)	(156,500)	(991,645)	(4,565,056)
Royalties	-	909,867	909,867	1,240,016
Interest	471,177	-	471,177	516,047
Lease revenue	588,037	-	588,037	-
Repayments - per capita distribution	-	-	-	49,000
 Balance, end of year	 \$ 2,016,789	 \$ 15,144,213	 \$ 17,161,002	 \$ 16,183,566

**10. Bank indebtedness**

The First Nation has an approved overdraft limit of \$235,000. On March 31, 2014 there were funds on deposit totalling \$14,535 and cheques issued in excess of deposits of \$190,465.

**11. Accounts payable**

	2014	2013
<b>Due to government and other government organizations</b>		
AANDC	\$ 61,902	\$ 22,436
CRA payroll deductions	56,614	-
 118,516	 22,436	
<b>Due to others</b>		
General suppliers	719,371	390,415
General suppliers - social development	41,291	87,235
General suppliers - health	25,555	54,588
General suppliers - CMHC	73,986	110,423
Pension - London Life	29,480	9,429
Group insurance - Great West Life	37,230	4,259
 926,913	 656,349	
 \$ 1,045,429	 \$ 678,785	

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**12. Contingent liabilities**

Carry the Kettle First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

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

Carry the Kettle First Nation is involved in the following legal proceedings.

1. The First Nation is contingently liable for an operating loan of Nakota Junction Convenience Store Ltd. As of March 31, 2014 there was an outstanding loan at Peace Hills Trust for \$44,163.
2. The First Nation is a defendant in a law suit commenced by Grizzly Resources Inc. This lawsuit revolves around whether funds advanced by Grizzly were provided by way of loan or were a non-refundable contribution by Grizzly Resources Inc. and at this point it is impossible to determine the outcome.
3. The First Nation is a defendant in various law suits commenced by former employees, of which the outcome is not known with any degree of certainty.

**13. Deferred revenue**

	March 31, 2013	Funding received, 2014	Revenue recognized, 2014	March 31, 2014
<b>Federal government</b>				
Low Pressure Water	\$ 167,358	\$ -	\$ (167,358)	\$ -
Water Treatment Expansion	83,937	-	(24,994)	58,943
Flooding Road Repair	897,396	600,000	(1,497,396)	-
Sewage Lagoon Expansion	8,946	21,000	(29,946)	-
Lagoon	4,019	44,300	(48,319)	-
Flood Prevention	328,138	362,300	(690,438)	-
<b>Total</b>	<b>1,489,794</b>	<b>1,027,600</b>	<b>(2,458,451)</b>	<b>58,943</b>
<b>Other</b>				
Specific Land Claims	53,259	42,818	(68,063)	28,014
Nakota Development Projects	11,593	-	-	11,593
Emergency Planning	29,282	-	-	29,282
Community Initiatives	45,707	-	-	45,707
<b>Total other</b>	<b>139,841</b>	<b>42,818</b>	<b>(68,063)</b>	<b>114,596</b>
<b>Total</b>	<b>\$ 1,629,635</b>	<b>\$ 1,070,418</b>	<b>\$ (2,526,514)</b>	<b>\$ 173,539</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**14. Long-term debt**

	2014	2013
Peace Hills Trust - #30 Interest at 6.5%, quarterly blended payments of \$74,400, secured by assignment of taxation, gaming, and AANDC monies, maturing July 1, 2018.	\$ 1,149,067	\$ 1,298,562
GMAC Financing Term loan, interest at 6.99% per year, monthly blended payments of \$836.63, payable in full December 31, 2016, secured by a 2011 Chevrolet Silverado 1400 4WD.	17,228	25,738
GMAC Financing Term loan, interest at 3.90% per year, monthly blended payments of \$714.24, payable in full December 31, 2016, secured by a 2011 Chevrolet Equinox Utility AWD.	15,141	22,956
Royal Bank Term loan, interest at bank prime plus 1.90%, monthly blended payments of \$1,856.74, secured by a Band Council Resolution, maturing October 30, 2013.	-	14,421
Royal Bank Term loan, interest at bank prime plus 2.0%, was due June 30, 2012, secured by a Band Council Resolution.	324,986	300,000
Peace Hills Trust - #34 Interest at 6.5%, quarterly blended payments of \$23,900, secured by assignment of taxation, gaming, and AANDC monies, maturing October 1, 2018.	389,226	-
Peace Hills Trust - #35 Interest at 6.5%, monthly blended payments of \$4,675, secured by assignment of taxation, gaming, and AANDC monies, maturing November 1, 2018.	226,317	-
Peace Hills Trust - #36 Interest at 6.5%, quarterly blended payments of \$18,750, secured by assignment of taxation, gaming, and AANDC monies, maturing October 1, 2018.	188,789	-
<u>Current portion</u>	<u>2,310,754</u>	<u>1,661,677</u>
	754,227	551,765
	<u>\$ 1,556,527</u>	<u>\$ 1,109,912</u>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**14. Long-term debt, continued**

Principal portion of long-term debt due within the next five years:

2015	\$ 754,227		
2016	454,703		
2017	449,301		
2018	421,420		
<b>2019 and thereafter</b>	<b>231,103</b>		
		<b>\$ 2,310,754</b>	
		2014	2013
<b>Interest expense for the year on long-term debt</b>	<b>\$ 119,273</b>	<b>\$ 77,980</b>	

**15. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2014	2013
CMHC	1	03/01/2017	21.50%	\$ 9,207	\$ 250,758	\$ 305,199
PHT	10	01/01/2017	5.29%	2,326	73,740	97,248
PHT	11	01/01/2018	5.24%	3,765	157,341	193,538
PHT	12	02/01/2015	5.39%	2,442	149,087	169,970
PHT	13	05/01/2016	6.47%	933	22,722	32,193
RBC	14	02/01/2016	3.99%	2,020	87,759	108,034
RBC	15	09/01/2018	2.49%	560	26,577	32,505
CMHC	16	12/01/2014	2.57%	1,047	117,410	126,865
CMHC	17	12/01/2015	2.56%	1,908	231,330	248,147
CMHC	18	06/01/2017	1.65%	824	116,465	124,379
CMHC	19	08/01/2016	2.26%	2,194	378,368	396,021
CMHC (not fully advanced)	20			-	426,331	426,331
CMHC	21	08/01/2017	1.39%	4,296	835,901	723,493
					2,873,789	2,983,923
<b>Current portion</b>					<b>282,459</b>	<b>258,250</b>
					<b>\$ 2,591,330</b>	<b>\$ 2,725,673</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**16. Tangible capital assets**

	Cost	Additions	Disposals	Accumulated amortization	2014 Net book value
Land	\$ 20,089,430	\$ -	\$ -	\$ -	\$ 20,089,430
Buildings	12,043,933	27,243	-	6,204,765	5,866,410
Automotive equipment	51,995	311,100	-	107,039	256,056
Equipment	893,242	563,100	313,608	637,707	505,028
Housing	7,673,876	-	-	2,449,485	5,224,391
Infrastructures	6,937,128	-	-	2,053,226	4,883,903
Assets under construction	<u>3,010,173</u>	<u>619,134</u>	<u>-</u>	<u>-</u>	<u>3,629,307</u>
	<hr/> <u>\$ 50,699,777</u>	<hr/> <u>\$ 1,520,577</u>	<hr/> <u>\$ 313,608</u>	<hr/> <u>\$ 11,452,222</u>	<hr/> <u>\$ 40,454,525</u>
	Cost	Additions	Disposals	Accumulated amortization	2013 Net book value
Land	\$ 20,089,430	\$ -	\$ -	\$ -	\$ 20,089,430
Buildings	11,965,974	77,958	-	6,139,463	5,904,470
Automotive equipment	-	51,995	-	12,624	39,371
Equipment	893,242	-	-	763,417	129,825
Housing	7,318,505	355,371	-	2,103,625	5,570,251
Infrastructures	6,937,128	-	-	1,514,729	5,422,399
Assets under construction	<u>2,152,443</u>	<u>857,730</u>	<u>-</u>	<u>-</u>	<u>3,010,173</u>
	<hr/> <u>\$ 49,356,722</u>	<hr/> <u>\$ 1,343,054</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ 10,533,858</u>	<hr/> <u>\$ 40,165,919</u>

**17. Prepaid expenses**

	2014	2013
Prepaid social assistance	<hr/> <u>\$ 13,218</u>	<hr/> <u>\$ -</u>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**18. Accumulated surplus**

The accumulated surplus consists of the following:

	2014	2013
Invested in tangible capital assets	\$ 35,783,757	\$ 35,834,740
Funds held in trust by federal government	17,161,002	16,183,566
Equity in related entities	1,156,358	1,192,115
CMHC reserves	602,364	533,345
<u>Operating surplus (deficit)</u>	<u>(622,758)</u>	<u>(141,406)</u>
	<hr/> <u>\$ 54,080,723</u>	<hr/> <u>\$ 53,602,360</u>

**19. Reconciliation of AANDC revenue**

The following is a reconciliation of the funds received from AANDC:

	2014	2013
Balance per AANDC confirmation	\$ 7,657,847	\$ 8,068,358
Receivable (payable) previous year	-	-
Basic Needs	(72,862)	-
Band Employee Benefits	(3,723)	-
Mitigation 2011 holdback	-	(7,872)
Receivable (payable) current year	-	-
Band Employee Benefits	(5,278)	3,723
Basic Needs	33,945	72,862
National Child Benefit Re-investment	(17,356)	-
Special Needs	(35,112)	(22,389)
ECIP	(1,000)	-
Home Care	(3,156)	(47)
	<hr/> <u>\$ 7,553,305</u>	<hr/> <u>\$ 8,114,635</u>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**20. Government Transfers**

	2014		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 7,532,305	\$ 21,000	\$ 7,553,305
Health Canada	1,231,891	-	1,231,891
Canada Mortgage and Housing Corporation	342,872	-	342,872
<b>Total</b>	<b>9,107,068</b>	<b>21,000</b>	<b>9,128,068</b>
<b>Provincial government transfers</b>			
	312,991	-	312,991
<b>Total</b>	<b>\$ 9,420,059</b>	<b>\$ 21,000</b>	<b>\$ 9,441,059</b>
	2013		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 7,748,635	\$ 366,000	\$ 8,114,635
Health Canada	1,159,585	-	1,159,585
Canada Mortgage and Housing Corporation	319,947	-	319,947
<b>Total</b>	<b>9,228,167</b>	<b>366,000</b>	<b>9,594,167</b>
<b>Provincial government transfers</b>			
	383,357	-	383,357
<b>Total</b>	<b>\$ 9,611,524</b>	<b>\$ 366,000</b>	<b>\$ 9,977,524</b>

**21. CMHC housing restricted funds**

It is a requirement of the CMHC operating agreements that subsidy surplus, operating and replacement reserves be established and monies be set aside in separate bank accounts. On March 31, 2014 the reserve accounts were under funded by \$140,011. The amount required to be set aside was \$602,364 and the amount in the reserve bank account was \$462,353. (The reserve amount of \$602,364 is not reported separately on these financial statements, but is included in equity).

**22. Health Canada - Movable Assets Reserve (MAR)**

Health Canada funding agreements require the First Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building (e.g. medical equipment, furniture, vehicles). As at year end there was a surplus of \$14,338 (2013- \$14,338).

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**23. Employee benefit obligations**

**Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

**Post-employment benefits**

Carry the Kettle First Nation does not provide extended health, dental and life insurance benefits to retirees and their surviving spouses and therefore has no obligations with regards to post employment benefits.

**Pension plan**

Carry the Kettle First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary and Carry the Kettle First Nation contributes a matching portion. Carry the Kettle First Nation contributed \$135,126 (2013 - \$159,059) during the year for retirement benefits. Carry the Kettle First Nation does not have any other obligations with regards to the pension plan as at March 31, 2014.

**24. Contractual Obligations**

The nature of Carry the Kettle First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received. There are no significant contractual obligations.

**25. Related party transactions**

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

**26. Economic dependence**

Carry the Kettle First Nation receives a major portion of its revenue pursuant to funding agreements with Aboriginal Affairs and Northern Development Canada and Health Canada.

**27. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Carry the Kettle First Nation.

**28. Subsequent events**

Subsequent to year end CTK Plastics LP has ceased active operations and is in the process of disposing off its assets.

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**29. Segmented information**

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

**1) Aboriginal Affairs and Northern Development Canada (AANDC)**

**Claims and Indian Government:**

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

**Community Development:**

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

**Economic Development:**

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

**Education:**

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

**Indian Government Support:**

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

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2014

**29. Segmented information, continued**

**Land Management:**

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

**Social Development:**

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

**Indian Registration:**

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

**Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

**2) Health Programs (FNIHB)**

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

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

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

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

**4) Band programs**

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

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**30. Expenses by object**

	2014 Budget	2014 Actual	2013 Actual
Administration	\$ 196,683	\$ 294,966	\$ 219,099
Advertising, promotions, sponsorships	4,500	10,397	11,501
Amortization	-	1,231,971	894,329
Assistance - social development	1,349,034	1,409,866	1,417,718
Assistance to band members	680,900	687,393	611,594
Bad debts	-	49,956	19,042
Committee expenses	160,000	94,739	107,095
Construction	-	-	64,410
Consultants and contractors	935,295	3,337,245	6,321,586
Cultural programs	107,317	86,809	13,232
Development & maintenance community infrastructure	-	-	100,000
Donations and sponsorships	29,640	43,932	9,745
Economic development projects	-	-	75,000
Education and education facilities	-	65,500	-
Equipment leases	59,200	40,929	33,042
Equipment purchases	68,850	900,718	15,603
Fuel	57,551	58,272	60,124
Graduation, awards, prizes	26,900	35,813	29,387
Honorariums	322,500	327,831	349,480
Insurance	146,300	146,154	150,834
Interest and bank charges	14,500	50,225	53,861
Interest on long term debt	-	234,216	217,766
Janitorial services	1,400	4,547	5,274
Leases	10,500	12,611	8,605
Living allowance	527,839	562,106	507,743
NCBR - administration	43,105	43,532	21,855
NCBR - community based support	-	116,396	90,636
NCBR - home to work	341,130	118,387	159,314
Other expenses	48,548	30,257	49,953
PCD reconciliation repayment	-	-	(49,000)
Per capita distribution	-	56,500	3,394,500
Pow wow expenses	-	110,000	111,152
Prenatal clinic	6,660	5,757	5,250
Professional fees	125,700	257,350	215,455
Program expenses	131,863	173,518	119,826
Public relations	8,000	9,587	5,258
Recreational activities	223,730	197,997	179,710
Rent	8,000	8,000	7,000

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2014*

**30. Expenses by object, continued**

	2014 Budget	2014 Actual	2013 Actual
Repairs and maintenance	578,034	960,597	710,652
Repairs and maintenance - mold remediation	-	969	-
Security	2,850	3,343	3,611
Student allowance	13,500	7,755	12,710
Supplies	337,555	385,655	231,517
Telephone	71,860	65,776	62,003
Training	157,310	176,303	120,780
Travel - medical transportation	3,000	18,774	24,285
Travel, meetings, per diems	356,194	312,002	308,949
Tuition	405,268	369,271	294,368
Utilities	22,506	54,880	121,884
Wages and benefits	3,657,625	3,870,389	3,764,160
Youth activities	5,000	5,800	215
Transfer to capital assets	(400,000)	(1,520,577)	(1,400,004)
	<hr/>	<hr/>	<hr/>
	\$ 15,524,414	\$ 19,862,109	

**Schedule #1**  
**Carry the Kettle First Nation**  
**Community Development**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 982,834	\$ 982,834	\$ 617,782
AANDC - set	33,750	1,096,050	1,789,400
AANDC - flexible	-	21,000	366,000
AANDC - prior period revenue (recovery)	-	-	(7,872)
CMHC	15,000	13,152	-
FHQ Tribal Council	-	6,251	23,031
Mortgage funds received	153,203	153,203	61,972
Mortgage received transferred to long-term debt	(153,203)	(153,203)	(61,972)
Saskatchewan Government	-	312,991	383,357
Other revenue	76,248	43,420	3,723
Deferred revenue - previous year	-	1,489,794	4,529,744
Deferred revenue - current year	-	(58,943)	(1,489,794)
	1,107,832	3,906,549	6,215,371
<b>Expenses</b>			
Administration	164,528	146,379	5,092
Consultants and contractors	485,701	2,759,668	5,649,880
Equipment purchases	37,950	574,543	2,886
Fuel	31,000	30,589	33,931
Insurance	119,180	68,779	35,022
Interest and bank charges	-	1,455	-
Interest on long term debt	-	8,126	1,568
Other expenses	30,658	24,000	21,761
Janitorial services	-	52	1,406
Professional fees	-	-	1,800
Repairs and maintenance	531,959	743,013	497,060
Repairs and maintenance - mold remediation	-	969	-
Supplies	72,568	141,328	37,994
Telephone	5,460	2,454	-
Training	-	3,648	-
Travel, meetings, per diems	18,700	20,127	16,079
Utilities	-	18,049	93,206
Wages and benefits	342,743	586,338	267,660
Transfer to capital assets	(400,000)	(1,180,634)	(1,335,594)
	1,440,447	3,948,883	5,329,751
<b>Current surplus (deficit)</b>	<b>(332,615)</b>	<b>(42,334)</b>	<b>885,620</b>
<b>Surplus at beginning of year</b>	<b>-</b>	<b>15,494,831</b>	<b>14,712,877</b>
<b>Transfers</b>			
Transfer - Other Programs	-	219,820	410,028
Transfer - Indian Government Support	-	-	(28,917)
Transfer - Education	-	-	(10,000)
Transfer - Amortization	-	(694,379)	(474,777)
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 14,977,938</b>	<b>\$ 15,494,831</b>

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Carry the Kettle First Nation**  
**Economic Development**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ 98,415	\$ 98,415	\$ 98,415
<b>Expenses</b>			
Assistance to band members	97,415	32,666	30,856
Consultants and contractors	-	-	1,175
Travel, meetings, per diems	1,000	150	116
	98,415	32,816	32,147
<b>Current surplus</b>			
	-	65,599	66,268
<b>Surplus at beginning of year</b>	<b>-</b>	<b>600,094</b>	<b>533,826</b>
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 665,693</b>	<b>\$ 600,094</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Carry the Kettle First Nation**  
**Education**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 2,344,071	\$ 2,346,275	\$ 2,308,642
AANDC - set	489,759	489,759	470,569
FHQ Tribal Council	72,715	56,719	43,859
Administration fees - internal allocation	-	19,012	-
Other revenue	478	1,758	20,423
	<b>2,907,023</b>	<b>2,913,523</b>	<b>2,843,493</b>
<b>Expenses</b>			
Administration	17,496	2,748	869
Advertising, promotions, sponsorships	2,500	1,880	6,098
Assistance to band members	-	-	300
Committee expenses	10,000	10,000	2,450
Consultants and contractors	155,000	159,437	194,820
Cultural programs	5,317	-	3,401
Donations and sponsorships	5,140	5,140	1,110
Equipment leases	47,700	19,017	4,610
Equipment purchases	4,000	314,246	188
Graduation, awards, prizes	26,900	35,813	29,387
Insurance	8,150	9,300	3,083
Interest on long term debt	-	5,517	-
Living allowance	527,839	562,106	507,743
Professional fees	15,000	13,902	-
Recreational activities	40,000	38,218	43,254
Repairs and maintenance	14,215	4,233	6,751
Student allowance	13,500	7,755	12,710
Supplies	173,949	145,227	107,997
Telephone	7,000	6,760	4,774
Training	14,000	10,372	40,933
Travel, meetings, per diems	61,733	61,004	47,441
Tuition	405,268	369,271	294,368
Wages and benefits	1,637,043	1,713,131	1,792,909
Transfer to capital assets	-	(311,100)	-
	<b>3,191,750</b>	<b>3,183,977</b>	<b>3,105,196</b>
<b>Current deficit</b>	<b>(284,727)</b>	<b>(270,454)</b>	<b>(261,703)</b>
<b>Surplus at beginning of year</b>	<b>-</b>	<b>2,359,196</b>	<b>2,406,603</b>
<b>Transfers</b>			
Transfer - Community Development	-	-	10,000
Transfer - Other Programs	-	47,000	210,584
Transfer - Amortization	-	(77,775)	(6,288)
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 2,057,967</b>	<b>\$ 2,359,196</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Carry the Kettle First Nation**  
**Indian Government Support**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - grant	\$ 469,799	\$ 469,799	\$ 469,799
AANDC - fixed	53,259	53,259	37,724
AANDC - set	126,749	126,749	123,026
AANDC - current year receivable (payable)	-	(5,278)	3,723
Interest revenue	-	-	59
Other revenue	31,000	71,177	92,783
	<b>680,807</b>	<b>715,706</b>	<b>727,114</b>
<b>Expenses</b>			
Administration	-	-	1,280
Advertising, promotions, sponsorships	1,000	5,892	4,569
Bad debts	-	50,907	8,800
Consultants and contractors	7,000	35,269	110,307
Equipment purchases	5,000	2,914	1,259
Donations and sponsorships	-	-	650
Honorariums	322,500	327,831	349,480
Insurance	-	-	1,584
Interest and bank charges	12,000	43,157	42,358
Professional fees	100,000	177,241	138,040
Equipment leases	10,000	15,371	21,423
Interest on long term debt	-	78,093	76,412
Supplies	22,500	42,053	39,531
Telephone	37,000	32,487	35,595
Training	47,500	47,379	16,549
Travel, meetings, per diems	140,000	152,921	154,529
Wages and benefits	474,380	470,611	595,366
	<b>1,178,880</b>	<b>1,482,126</b>	<b>1,597,732</b>
<b>Current deficit</b>	<b>(498,073)</b>	<b>(766,420)</b>	<b>(870,618)</b>
<b>Deficit at beginning of year</b>	<b>-</b>	<b>(1,602,028)</b>	<b>(1,223,440)</b>
<b>Transfers</b>			
Transfer - Other Programs	-	470,000	471,231
Transfer - Social Development	-	(25,600)	(7,800)
Transfer - Community Development	-	-	28,917
Transfer - Amortization	-	-	(318)
<b>Deficit at end of year</b>	<b>\$ -</b>	<b>\$ (1,924,048)</b>	<b>\$ (1,602,028)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Carry the Kettle First Nation**  
**Land Management**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 203,069	\$ 203,069	\$ 178,991
AANDC - set	26,458	31,620	-
Other revenue	191,134	233,952	84,068
Deferred revenue - previous year	-	53,259	90,955
Deferred revenue - current year	-	(28,014)	(53,259)
	420,661	493,886	300,755
<b>Expenses</b>			
Administration	12,659	10,574	160
Consultants and contractors	213,634	228,047	100,516
Equipment purchases	9,000	3,506	2,402
Professional fees	-	41,214	29,264
Program expenses	-	32,287	-
Supplies	1,000	3,280	1,523
Telephone	1,800	2,587	1,800
Training	2,000	4,081	2,702
Travel, meetings, per diems	12,000	13,937	19,256
Wages and benefits	127,500	126,802	126,803
	379,593	466,315	284,426
<b>Current surplus</b>	<b>41,068</b>	<b>27,571</b>	<b>16,329</b>
<b>Surplus at beginning of year</b>	<b>-</b>	<b>55,192</b>	<b>40,437</b>
<b>Transfers</b>			
Transfer - Amortization	-	(2,841)	(1,574)
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 79,922</b>	<b>\$ 55,192</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Carry the Kettle First Nation**  
**Social Development**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 80,500	\$ 78,700	\$ 80,500
AANDC - set	1,734,340	1,644,422	1,607,098
AANDC - current year receivable (payable)	22,389	(22,679)	50,426
Other revenue	-	402	10,783
	<b>1,837,229</b>	<b>1,700,845</b>	<b>1,748,807</b>
<b>Expenses</b>			
Administration	-	4,808	6,608
Assistance to band members	24,485	-	-
Assistance - social development	1,349,034	1,409,866	1,417,235
Consultants and contractors	4,210	5,685	2,550
Interest and bank charges	-	2,228	2,297
Other expenses	11,340	-	-
Janitorial services	-	-	160
NCBR - administration	43,105	43,532	21,855
NCBR - community based support	-	116,396	90,636
NCBR - home to work	341,130	118,387	159,314
Professional fees	200	-	200
Supplies	3,962	4,659	5,730
Telephone	3,060	2,067	2,764
Training	2,050	14,041	15,298
Travel, meetings, per diems	3,661	3,661	4,533
Utilities	340	180	220
Wages and benefits	125,770	118,940	109,192
	<b>1,912,347</b>	<b>1,844,450</b>	<b>1,838,592</b>
<b>Current deficit</b>	<b>(75,118)</b>	<b>(143,605)</b>	<b>(89,785)</b>
<b>Deficit at beginning of year</b>	<b>-</b>	<b>(176,064)</b>	<b>(92,819)</b>
<b>Transfers</b>			
Transfer - Health	-	(1,080)	(1,260)
Transfer - Indian Government Support	-	25,600	7,800
<b>Deficit at end of year</b>	<b>\$ -</b>	<b>\$ (295,149)</b>	<b>\$ (176,064)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Carry the Kettle First Nation**  
**Indian Registration**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 19,726	\$ 19,726	\$ 18,827
Other revenue	- -	- -	999
	<b>19,726</b>	<b>19,726</b>	<b>19,826</b>
<b>Expenses</b>			
Supplies	626	376	177
Training	- -	- -	100
Travel, meetings, per diems	6,200	3,179	2,913
Wages and benefits	22,900	22,832	18,524
	<b>29,726</b>	<b>26,387</b>	<b>21,714</b>
<b>Current deficit</b>	<b>(10,000)</b>	<b>(6,661)</b>	<b>(1,888)</b>
<b>Deficit at beginning of year</b>	<b>-</b>	<b>(38,560)</b>	<b>(41,672)</b>
<b>Transfers</b>			
Transfer - Other Programs	- -	10,000	5,000
<b>Deficit at end of year</b>	<b>\$ -</b>	<b>\$ (35,221)</b>	<b>\$ (38,560)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Carry the Kettle First Nation**  
**Governance and Institutions of Government**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 12,000	\$ 12,000	\$ -
AANDC - set	6,000	6,000	-
	<hr/> 18,000	18,000	-
<b>Expenses</b>			
Consultants and contractors	12,000	18,475	-
Training and workshops	6,000	7,926	-
Travel, meetings, per diems	-	1,325	-
	<hr/> 18,000	27,726	-
<b>Current deficit</b>	-	(9,726)	-
<b>Surplus at beginning of year</b>	-	18,492	18,492
<b>Surplus at end of year</b>	<hr/> \$ -	\$ 8,766	\$ 18,492

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Carry the Kettle First Nation**  
**Health**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
Health Canada	\$ 1,177,390	\$ 1,231,891	\$ 1,159,585
FHQ Tribal Council	50,852	50,200	60,327
Interest revenue	-	105	113
Other revenue	8,000	28,990	24,388
Administration fees - internal allocation	-	92,985	87,414
	<b>1,236,242</b>	<b>1,404,171</b>	<b>1,331,827</b>
<b>Expenses</b>			
Administration	-	88,177	82,606
Advertising, promotions, sponsorships	1,000	2,626	769
Assistance to band members	8,400	5,170	385
Assistance - social development	-	-	483
Bad debts	-	(951)	5,690
Construction	-	-	64,410
Consultants and contractors	49,750	109,143	50,313
Cultural programs	2,000	1,712	700
Equipment purchases	900	700	6,967
Fuel	26,551	27,683	26,192
Donations and sponsorships	4,500	7,408	5,125
Leases	8,000	11,035	5,173
Insurance	18,970	29,799	28,524
Interest and bank charges	2,500	3,384	2,919
Other expenses	6,350	5,531	11,272
Janitorial services	1,200	3,233	3,265
Public relations	8,000	9,587	5,258
Professional fees	10,500	10,033	9,410
Program expenses	131,863	141,231	119,826
Equipment leases	1,500	6,542	1,555
Rent	8,000	8,000	7,000
Repairs and maintenance	8,860	34,482	17,914
Interest on long term debt	-	27,537	-
Security	2,100	2,277	2,998
Supplies	43,850	34,419	26,906
Telephone	11,840	11,705	10,432
Training	82,260	62,654	40,346
Travel - medical transportation	3,000	18,774	24,285
Travel, meetings, per diems	34,200	43,967	43,769

The accompanying notes are an integral part of the financial statements

**Schedule #9, continued**  
**Carry the Kettle First Nation**  
**Health**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
Utilities	18,666	29,817	24,195
Wages and benefits	735,890	614,778	640,672
Prenatal clinic	6,660	5,757	5,250
Youth activities	5,000	5,800	215
Transfer to capital assets	-	(28,843)	(64,410)
	<b>1,242,310</b>	<b>1,333,167</b>	<b>1,210,414</b>
<b>Current surplus</b>	<b>(6,068)</b>	<b>71,004</b>	<b>121,413</b>
<b>Surplus at beginning of year</b>	<b>-</b>	<b>676,521</b>	<b>648,286</b>
<b>Transfers</b>			
Transfer - Social Development	-	1,080	1,260
Transfer - Amortization	-	(97,029)	(94,438)
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 651,576</b>	<b>\$ 676,521</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Carry the Kettle First Nation**  
**CMHC**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
CMHC	\$ -	\$ 329,720	\$ 319,947
Rental income - CMHC housing	- -	127,737	225,456
	- -	457,457	545,403
<b>Expenses</b>			
Administration	- -	41,280	38,280
Insurance	- -	38,276	41,667
Interest on long term debt	- -	114,943	139,786
Professional fees	- -	14,961	14,460
Repairs and maintenance	- -	131,101	165,405
	- -	340,561	399,598
<b>Current surplus</b>	- -	116,896	145,805
<b>Surplus (deficit) at beginning of year</b>	- -	(72,681)	90,948
<b>Transfers</b>			
Transfer - Amortization	- -	(345,860)	(309,434)
<b>Deficit at end of year</b>	\$ -	\$ (301,645)	\$ (72,681)

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Carry the Kettle First Nation**  
**Other**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ 68,700	\$ 197,867	\$ 195,720
Keseechiwan Holdings LP	60,000	60,000	60,000
First Nations Trust	877,100	986,118	978,703
TLE revenue	-	-	85,471
Increase (decrease) in value of investments	-	24,243	(326,116)
Earned and held in trust by federal government	1,111,000	1,969,080	1,756,063
Other revenue	97,775	184,592	73,293
Taxation revenue	676,021	701,389	676,390
Administration fees - internal allocation	(2,000)	11,211	-
Gain on sale of assets	-	140,000	-
Deferred revenue - previous year	-	86,582	87,802
Deferred revenue - current year	-	(86,582)	(86,582)
	<b>2,888,596</b>	<b>4,274,500</b>	<b>3,500,744</b>
<b>Expenses</b>			
Administration	2,000	1,000	84,204
Advertising, promotions, sponsorships	-	-	64
Assistance to band members	550,600	649,557	580,053
Bad debts	-	-	4,552
Committee expenses	150,000	84,739	104,645
Consultants and contractors	8,000	21,521	212,023
Cultural programs	100,000	85,097	9,131
Development & maintenance community infrastructure	-	-	100,000
Donations and sponsorships	20,000	31,384	2,860
Economic development projects	-	-	75,000
Education and education facilities	-	65,500	-
Equipment leases	-	-	5,453
Equipment purchases	12,000	4,810	1,900
Insurance	-	-	40,955
Interest and bank charges	-	-	6,288
Janitorial services	200	1,263	443
Leases	2,500	1,576	3,431
Other expenses	200	727	16,921
PCD reconciliation repayment	-	-	(49,000)
Per capita distribution	-	56,500	3,394,500
Pow wow expenses	-	110,000	111,152
Professional fees	-	-	22,280
Recreational activities	183,730	159,779	136,456
Repairs and maintenance	23,000	47,768	23,521
Security	750	1,066	613
Supplies	19,100	14,313	11,658
Telephone	5,700	7,717	6,638
Training	3,500	26,202	4,850
Travel, meetings, per diems	78,700	11,731	20,313

The accompanying notes are an integral part of the financial statements

**Schedule #11, continued**  
**Carry the Kettle First Nation**  
**Other**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
Utilities	3,500	6,834	4,263
Wages and benefits	191,399	216,955	213,045
	<b>1,354,879</b>	<b>1,606,039</b>	<b>5,148,212</b>
<b>Current surplus (deficit)</b>	<b>1,533,717</b>	<b>2,668,461</b>	<b>(1,647,468)</b>
<b>Surplus at beginning of year</b>	<b>-</b>	<b>36,287,365</b>	<b>39,039,176</b>
<b>Transfers</b>			
Transfer - Community Development	-	(219,820)	(410,028)
Transfer - Education	-	(47,000)	(210,584)
Transfer - Indian Government Support	-	(470,000)	(471,231)
Transfer - Indian Registry	-	(10,000)	(5,000)
Transfer - Amortization	-	(14,086)	(7,500)
<b>Surplus at end of year</b>	<b>\$ -</b>	<b>\$ 38,194,920</b>	<b>\$ 36,287,365</b>

The accompanying notes are an integral part of the financial statements

**Schedule #12**  
**Carry the Kettle First Nation**  
**Amortization**  
**Schedule of Operations and Equity**  
*For the year ended March 31, 2014*

	2014 Budget	2014 Actual	2013 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Band support - Administration	-	-	318
CMHC Operations	-	345,860	309,434
Community Buildings	-	487,712	235,883
Comprehensive Education Support	-	-	6,288
Daycare	-	14,086	6,000
Health Transfer	-	79,729	52,441
Infrastructure Assets	-	132,570	175,118
Land Management	-	2,841	1,574
Medical Transportation	-	17,300	41,997
Pasture	-	-	1,500
Roads	-	72,161	47,051
Sanitation	-	240	12,874
School Maintenance	-	47	3,851
Student transportation	-	77,775	-
Water	-	1,650	-
	-	1,231,971	894,329
<b>Current deficit</b>	-	(1,231,971)	(894,329)
<b>Surplus at beginning of year</b>	-	-	-
<b>Transfers</b>			
Transfer - Programs	-	1,231,971	894,329
<b>Surplus at end of year</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements