

**Carry the Kettle First Nation  
Consolidated Financial Statements  
March 31, 2016**

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*March 31, 2016*

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**Carry the Kettle First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2016*

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

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

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

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

Signature on file  
\_\_\_\_\_  
Carry the Kettle First Nation

August 17, 2016  
\_\_\_\_\_  
Date

**Chalupiak & Associates**  
**Chartered Professional Accountants**  
**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, 2016, and the consolidated statements of operations, accumulated surplus, change in net financial assets, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 audit opinion.

*Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Carry the Kettle First Nation as at March 31, 2016, and the results of its operations, accumulated surplus, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Regina, Saskatchewan**  
**August 17, 2016**

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**Chartered Professional Accountants**

**Carry the Kettle First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2016*

	2016	2015
<b>Financial Assets</b>		
Cash (Note 3)	\$ -	\$ 67,156
Restricted cash - other (Note 3)	51,754	39,908
Restricted cash - CMHC reserves (Notes 3 and 23)	560,885	523,571
Accounts receivable (Notes 4 and 5)	1,217,271	1,035,843
Due from related business entities (Note 6)	166,090	29,060
Portfolio investment (Note 7)	60,000	60,000
Equity in related entities (Note 8)	358,974	406,894
Trust funds held by federal government (Note 3 and 9)	16,999,404	17,467,099
	<u>19,414,378</u>	<u>19,629,531</u>
<b>Liabilities</b>		
Bank indebtedness (Notes 3 and 10)	254,590	-
Accounts payable (Note 11)	488,013	1,289,376
Deferred revenue - unexpended funds (Note 12)	143,401	137,736
Deferred revenue (Note 13)	100,000	40,875
Current portion of long-term debt (Note 14)	595,140	614,354
Current portion of CMHC mortgages (Note 15)	319,363	301,801
Long-term debt (Note 14)	1,190,126	1,832,062
CMHC mortgages (Note 15)	2,439,662	2,288,288
	<u>5,530,295</u>	<u>6,504,492</u>
<b>Net financial assets</b>	<u>13,884,083</u>	<u>13,125,039</u>
<b>Non-financial Assets</b>		
Capital assets (Note 16)	39,438,089	40,330,880
Prepaid expenses (Note 17)	3,143	-
	<u>39,441,232</u>	<u>40,330,880</u>
<b>Accumulated Surplus (Note 18)</b>	<u>\$ 53,325,315</u>	<u>\$ 53,455,919</u>

**Approved on behalf of the Carry the Kettle First Nation:**

Signature on file \_\_\_\_\_, **Chief**

Signature on file \_\_\_\_\_, **Councilor**

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - grant	\$ 469,799	\$ 469,799	\$ 469,799
INAC - fixed	3,697,641	3,342,461	3,297,457
INAC - set	2,098,747	1,964,014	1,934,629
INAC - flexible	-	379,349	379,349
INAC - prior period revenue (recovery)	-	-	(18,000)
INAC - current year receivable (payable)	-	95,716	(59,227)
Health Canada	1,241,687	1,296,292	1,293,151
CMHC - subsidy	-	331,970	332,912
CMHC - RRAP	-	550	10,125
FHQ Tribal Council	215,952	275,982	280,799
First Nations Trust	954,756	954,756	954,771
Earned and held in trust by federal government	1,663,346	1,363,993	1,883,156
Saskatchewan Government	-	-	19,195
Keseechiwan Holdings LP	50,000	60,000	70,000
Insurance proceeds	-	67,048	332,410
Taxation revenue	722,940	707,747	738,546
Community Development Corporation	117,222	158,751	117,222
Other revenue	891,692	1,140,820	716,940
Rental income - CMHC housing	-	162,025	149,786
Equity increase (decrease) in related entities	-	(47,920)	(749,464)
Realized gain on wind up of CTK Plastics LP	-	930,438	-
Administration fees - internal allocation	112,575	232,746	146,548
Unexpended funds transferred - prior year	-	137,736	269,940
Deferred revenue - previous year	157,177	40,875	173,539
Deferred revenue - current year	-	(100,000)	(40,875)
	12,393,534	13,965,148	12,702,708
<b>Expenses</b>			
Community Development (Schedule 1)	1,893,473	1,457,714	1,677,120
Economic Development (Schedule 2)	109,441	115,121	78,974
Education (Schedule 3)	2,892,450	2,824,382	3,115,235
Indian Government Support (Schedule 4)	1,239,649	1,304,773	1,267,277
Land Management (Schedule 5)	213,366	168,619	274,218
Social Development (Schedule 6)	1,546,842	1,677,865	1,642,052
Indian Registration (Schedule 7)	42,147	40,139	68,823
Governance and Institutions of Government (Schedule 8)	-	19,616	-
Health (Schedule 9)	1,522,314	1,669,446	1,495,430
CMHC (Schedule 10)	-	394,308	279,800
Other Programs (Schedule 11)	3,395,283	2,905,337	2,250,509
Amortization (Schedule 12)	-	1,375,029	1,177,312
	12,854,965	13,952,349	13,326,750
<b>Current surplus (deficit) before unexpended transfers</b>	(461,431)	12,799	(624,043)

The accompanying notes are an integral part of the financial statements

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

	2016 Actual	2015 Actual
<b>Unexpended transfers</b>		
Unexpended funds transferred to deferred revenue	- (143,401)	(137,736)
<b>Current deficit</b>	<b>\$ (461,431)</b>	<b>\$ (130,602) \$ (761,779)</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, 2016*

	2016	2015
<b>Surplus at beginning of year</b>	\$ 53,455,919	\$ 54,217,698
<b>Current deficit</b>	(130,602)	(761,779)
<b>Surplus at end of year</b>	<u>\$ 53,325,317</u>	<u>\$ 53,455,919</u>

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, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Current deficit</b>	\$ (461,431)	\$ (130,602)	\$ (761,779)
Acquisition of tangible capital assets	-	(482,239)	(1,001,768)
Amortization of tangible capital assets	-	1,375,028	1,125,413
	-	892,789	123,645
Acquisition of prepaid asset	(3,143)	(3,143)	-
Use of prepaid asset	-	-	13,218
	(3,143)	(3,143)	13,218
Decrease in net financial assets	(464,574)	759,044	(624,916)
Net financial assets at beginning of year	13,125,039	13,125,039	13,749,955
<b>Net financial assets at end of year</b>	<b>\$ 12,660,465</b>	<b>\$ 13,884,083</b>	<b>\$ 13,125,039</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, 2016*

	2016	2015
<b>Cash flows from</b>		
<b>Operating activities</b>		
Current deficit	\$ (130,602)	\$ (761,779)
Items not affecting cash		
Amortization	1,375,028	1,125,413
	1,244,426	363,634
Change in non-cash operating working capital		
Accounts receivable	(181,428)	(435,630)
Prepaid expenses	(3,143)	13,218
Accounts payable	(801,366)	380,919
Deferred revenue - unexpended funds	5,665	137,736
Deferred revenue	59,125	(132,664)
	323,279	327,213
<b>Capital activities</b>		
Additions to capital assets	(482,237)	(1,070,968)
Disposals of capital assets net of accumulated amortization	-	69,200
	(482,237)	(1,001,768)
<b>Financing activities</b>		
Due to/from related entities	-	(7,082)
Due from (to) related business entities	(137,030)	245,869
Proceeds from long-term debt	561,952	1,288,534
Long term debt repaid	(1,223,102)	(1,152,869)
CMHC mortgage advances	473,674	-
CMHC mortgages repaid	(304,737)	(283,700)
	(629,243)	90,752
<b>Investing activities</b>		
Equity in related entities	47,920	749,464
Restricted cash - other	(11,846)	148,318
Restricted cash - CMHC	(37,314)	(61,218)
Ottawa Trust Funds	467,695	(306,097)
	466,455	530,467
<b>Decrease in cash and cash equivalents</b>	(321,746)	(53,336)
<b>Cash and cash equivalents, beginning of year</b>	67,156	120,492
<b>Cash and cash equivalents, end of year</b>	\$ (254,590)	\$ 67,156

The accompanying notes are an integral part of the financial statements

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**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.

**(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:

Nakoda Developments LP  
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.

**(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.

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

**(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
Vehicles	4 years Straight line
Equipment	4 years Straight line
Housing	25 years Straight line
Infrastructures	40 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.

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

**(h) Liability for contaminated sites**

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

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

No liability has been recognized in these statements.

**(i) Segments**

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

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

**(j) Internal charges and transfers**

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

**(k) Revenue recognition**

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.

**(l) 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.

**(m) 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, 2016*

**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.

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

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

	2016	2015
Unrestricted cash		
CMHC operations	\$ 41,208	\$ 11,845
Health operations	67,213	133,117
Project accounts	4,551	5,397
Band operations	(367,562)	(83,203)
	(254,590)	67,156
Restricted cash - CMHC reserves		
Replacement reserve	310,885	273,571
Replacement reserve - GIC	250,000	250,000
	560,885	523,571
Restricted cash - other		
Lawyers' Trust - specific claims	51,754	39,908
Restricted cash - trust funds held by federal government		
Capital	16,077,495	15,574,419
Revenue	921,909	1,892,680
	16,999,404	17,467,099
	\$ 17,357,453	\$ 18,097,734

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**4. Accounts receivable**

	2016	2015
<b>Due from government and other government organizations</b>		
INAC	\$ 114,968	\$ 37,838
Health Canada	3,355	-
CMHC Subsidy	34,712	39,623
<b>Total due from government and other government organizations</b>	<b>153,035</b>	<b>77,461</b>
<b>Due from members</b>		
Advances - administration	610,484	616,825
Advances - health	15,905	10,049
Advances - social development	104,044	122,012
<b>Total due from members</b>	<b>730,433</b>	<b>748,886</b>
<b>Due from others</b>		
FHQ Tribal Council	174,453	169,133
Taxation revenue	416,539	431,731
Funds held in trust by federal government	552,861	433,007
Health programs	18,257	18,989
Other	111,177	25,721
<b>Total due from others</b>	<b>1,273,287</b>	<b>1,078,581</b>
	2,156,755	1,904,928
Allowance for doubtful accounts	(939,484)	(869,085)
	<b>\$ 1,217,271</b>	<b>\$ 1,035,843</b>

The allowance for doubtful accounts is comprised of taxation revenue \$235,802 (2015 - \$235,802) and band members \$703,682 (2015 - \$633,283).

**5. INAC - accounts receivable**

	2016	2015
Band Employee Benefits	\$ 23,035	\$ -
Basic Needs	91,933	15,138
Institutional Care	-	22,700
	<b>\$ 114,968</b>	<b>\$ 37,838</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**6. Due from (to) related business entities**

	2016	2015
CTK Plastics LP	\$ -	\$ (162,643)
CTK Holdings Ltd.	-	2,700
Nakota Junction Convenience Store Inc.	186,730	189,003
TLE	(20,640)	-
<b>Total</b>	<b>\$ 166,090</b>	<b>\$ 29,060</b>

**7. Portfolio investments**

	2016	2015
Keseechiwan Holdings LP (8.3% interest)	\$ 60,000	\$ 60,000



# Carry the Kettle First Nation

## Notes to Consolidated Financial Statements

March 31, 2016

### 8. 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. 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 and in certain instances adjusted to reflect transactions that have occurred since the date of the latest available financial statements and March 31, 2016.

CTK Plastics LP, CTK Plastics Ltd. and CTK Developments Ltd. disposed of all their assets and fulfilled all their liabilities and the realized equity was distributed to Carry The Kettle First Nation. Consequently there is no longer any assets, liabilities or equity in these entities.

Carry The Kettle First Nation contributed \$400,000 of equity to Nakoda Development LP. No financial statements have yet been prepared and the equity is reported based on the cash in the bank account on March 31, 2016. The only financial activity in the limited partnership up until March 31, 2016 was the payment of \$7,180 in expenses.

Nakota Junction Convenience Store Inc. prepared audited financial statements for the year ended August 31, 2015 and these consolidated statements report the equity in the entity based on the August 31, 2015 audited financial statements.

	2016	2015
CTK Plastics Ltd.	\$ -	\$ 685,260
CTK Plastics Limited Partnership	-	(214,043)
CTK Developments Ltd.	-	(6,300)
Nakota Junction Convenience Store Inc.	(33,846)	(58,023)
Nakoda Developments LP	392,820	-
<b>Total</b>	<b>\$ 358,974</b>	<b>\$ 406,894</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**8. Equity in related entities, continued**

	Nakota Junction Convenience Store Inc.	Nakota Development LP	2016 Total	2015 Total
Current assets	\$ 188,126	\$ 392,820	\$ 580,946	\$ 240,184
Tangible capital assets	98,353	-	98,353	314,778
Due from related entities	-	-	-	55,888
<b>Total assets</b>	<b>\$ 286,479</b>	<b>\$ 392,820</b>	<b>\$ 679,299</b>	<b>\$ 610,850</b>
Current liabilities	\$ 133,595	\$ -	\$ 133,595	\$ 203,956
Due to related entities	186,730	-	186,730	-
<b>Total liabilities</b>	<b>320,325</b>	<b>-</b>	<b>320,325</b>	<b>203,956</b>
<b>Equity</b>	<b>(33,846)</b>	<b>392,820</b>	<b>358,974</b>	<b>406,894</b>
<b>Total equity</b>	<b>(33,846)</b>	<b>392,820</b>	<b>358,974</b>	<b>406,894</b>
<b>Total liabilities and equity</b>	<b>\$ 286,479</b>	<b>\$ 392,820</b>	<b>\$ 679,299</b>	<b>\$ 610,850</b>

  

	Nakota Junction Convenience Store Inc.	Nakota Developments LP	2016 Total	2015 Total
Revenue	\$ 2,404,039	\$ -	\$ 2,404,039	\$ 2,910,204
Cost of Sales	1,898,113	-	1,898,113	2,624,614
Expenses	433,520	7,180	440,700	1,133,210
<b>Total expenses</b>	<b>2,331,633</b>	<b>7,180</b>	<b>2,338,813</b>	<b>3,757,824</b>
<b>Net income</b>	<b>\$ 72,406</b>	<b>\$ (7,180)</b>	<b>\$ 65,226</b>	<b>\$ (847,620)</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

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

	2016 Revenue	2016 Capital	2016 Total	2015 Total
Surplus, beginning of year	\$ 1,339,819	\$ 15,574,419	\$ 16,914,238	\$ 17,161,003
Withdrawals	(1,335,827)	-	(1,335,827)	(1,577,059)
Royalties	-	446,076	446,076	795,706
Interest	187,090	-	187,090	417,419
Lease revenue	730,827	-	730,827	670,030
Repayments - per capita distribution	-	57,000	57,000	-
<b>Surplus, end of year</b>	<b>\$ 921,909</b>	<b>\$ 16,077,495</b>	<b>\$ 16,999,404</b>	<b>\$ 17,467,099</b>

**10. Bank indebtedness**

The First Nation has an approved line of credit on the general operating account of \$250,000 with Peace Hills Trust bearing interest at prime + 2%. On March 31, 2016 the line of credit used was \$nil and there were cheques issued in excess of deposits of \$57,378.

The First Nation does not have a line of credit with the Plainsview Credit Union accounts;

- the general operating account had cheques issued in excess of deposits of \$220,294

- the social development account had cheques issued in excess of deposits of \$94,526

The First Nation has other accounts with deposits on hand of \$117,608.

**11. Accounts payable**

	2016	2015
<b>Due to government and other government organizations</b>		
INAC	\$ 69,411	\$ 74,365
CRA payroll deductions	9,779	153,900
	<b>79,190</b>	<b>228,265</b>
<b>Due to others</b>		
General suppliers	331,504	849,152
General suppliers - social development	9,324	149,156
General suppliers - health	51,262	36,751
General suppliers - CMHC	16,733	26,052
Pension - London Life	-	-
	<b>408,823</b>	<b>1,061,111</b>
	<b>\$ 488,013</b>	<b>\$ 1,289,376</b>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**12. Deferred revenue - unexpended funds**

INAC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to INAC, deferred to the following year, or transfer to another INAC program upon approval from INAC. All excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2016	2015
School maintenance	\$ 6,361	\$ 137,736
Post secondary	81,224	-
Lands management	33,816	-
LEDSP Ec Dev	22,000	-
	<u>\$ 143,401</u>	<u>\$ 137,736</u>

**13. Deferred revenue**

	March 31, 2015	Funding received, 2016	Revenue recognized, 2016	March 31, 2016
<b>Other</b>				
Nakota Development Projects	\$ 11,593	\$ -	\$ (11,593)	\$ -
Emergency Planning	29,282	-	(29,282)	-
Specific Claims	-	100,000	-	100,000
	<u>\$ 40,875</u>	<u>\$ 100,000</u>	<u>\$ (40,875)</u>	<u>\$ 100,000</u>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
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**14. Long-term debt**

	2016	2015
Peace Hills Trust - #30 Infrastructure loan Interest at 6.5%, quarterly blended payments of \$74,400, secured by assignment of taxation, gaming, and INAC monies, maturing July 1, 2018.	\$ 677,548	\$ 915,237
Peace Hills Trust - #34 Heavy Equipment loan Interest at 6.5%, quarterly blended payments of \$23,900, secured by assignment of taxation, gaming, and INAC monies, maturing October 1, 2018.	237,074	315,602
Peace Hills Trust - #35 School buses loan Interest at 6.5%, monthly blended payments of \$4,675, secured by assignment of taxation, gaming, and INAC monies, maturing November 1, 2018.	137,564	183,366
Peace Hills Trust - #36 Bridge financing loan - CMHC Interest at 6.5%, quarterly blended payments of \$18,750, secured by assignment of taxation, gaming, and INAC monies, maturing October 1, 2018.	195,465	256,480
Peace Hills Trust - #37 Headstart renovation loan Interest at 6.5%, annual blended payment of \$79,844, secured by assignment of taxation, gaming, and INAC monies, maturing September 30, 2019.	281,791	342,116
Peace Hills Trust - #39 CMHC cost overrun loan Interest at 6.5%, annual blended payment of \$111,344, secured by assignment of taxation, gaming, and INAC monies, maturing October 31, 2018.	-	345,092
Peace Hills Trust - #40 CMHC cost overrun rewrite loan #39 Interest at 6.5%, annual blended payment of \$65,595 secured by assignment of taxation, gaming, and INAC monies, maturing October 31, 2018.	183,284	-
Royal Bank - Health - Vehicle Term loan, interest at 5% per year, monthly blended payments of \$861, due March 16, 2020 secured by a vehicle.	37,391	45,629
Royal Bank - Health - Vehicle Term loan, interest at 5% per year, monthly blended payments of \$810, due March 16, 2020 secured by a vehicle.	35,149	42,894
	1,785,266	2,446,416
Current portion	595,140	614,354
	\$ 1,190,126	\$ 1,832,062

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

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

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

2017	\$ 595,140
2018	634,732
2019	452,513
2020	102,881
	<hr/>
	\$ 1,785,266
	<hr/>

	2016	2015
Interest expense for the year on long-term debt	\$ 134,418	\$ 152,771
	<hr/>	<hr/>

**15. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2016	2015
CMHC	1	1/3/2017	21.50%	\$ 9,207	\$ 100,800	\$ 182,902
PHT	10	1/1/2017	5.29%	2,326	22,880	48,972
PHT	11	1/1/2018	5.24%	3,765	79,095	119,224
PHT	12	1/2/2020	4.915%	2,416	103,523	126,966
PHT	13	1/5/2016	6.47%	933	1,871	12,628
RBC	14	1/2/2016	3.99%	2,020	46,519	66,627
RBC	15	1/9/2018	2.49%	560	14,167	20,448
CMHC	16	1/12/2019	1.83%	1,010	97,290	107,555
CMHC	17	1/1/2021	1.170%	1,786	195,962	214,080
CMHC	18	1/6/2017	1.65%	824	100,245	108,420
CMHC	19	1/8/2016	2.26%	2,194	341,865	360,314
CMHC (not fully advanced)	20			-	900,005	426,331
CMHC	21	1/8/2017	1.39%	4,296	754,803	795,622
					<hr/>	<hr/>
					2,759,025	2,590,089
Current portion					319,363	301,801
					<hr/>	<hr/>
					\$ 2,439,662	\$ 2,288,288
					<hr/>	<hr/>

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**16. Tangible capital assets**

	Cost	Additions	Disposals	Accumulated amortization	2016 Net book value
Land	\$ 20,089,430	\$ -	\$ -	\$ -	\$ 20,089,430
Buildings	12,091,601	5,653	-	7,250,605	4,846,649
Vehicles	594,217	9,515	-	408,212	195,520
Equipment	984,694	125,693	-	674,524	435,864
Housing	7,673,876	-	-	3,201,801	4,472,075
Infrastructures	6,916,704	-	-	2,417,521	4,499,184
Assets under construction	4,557,993	341,376	-	-	4,899,368
	<u>\$ 52,908,515</u>	<u>\$ 482,237</u>	<u>\$ -</u>	<u>\$ 13,952,663</u>	<u>\$ 39,438,090</u>

	Cost	Additions	Disposals	Accumulated amortization	2015 Net book value
Land	\$ 20,089,430	\$ -	\$ -	\$ -	\$ 20,089,430
Buildings	12,071,177	20,424	-	6,776,236	5,315,365
Vehicles	524,335	69,882	-	290,447	303,770
Equipment	981,494	72,400	69,200	531,492	453,202
Housing	7,673,876	-	-	2,795,345	4,878,531
Infrastructures	6,937,128	-	20,424	2,184,115	4,732,590
Assets under construction	3,629,307	928,686	-	-	4,557,993
	<u>\$ 51,906,747</u>	<u>\$ 1,091,392</u>	<u>\$ 89,624</u>	<u>\$ 12,577,635</u>	<u>\$ 40,330,881</u>

**17. Prepaid expenses**

	2016	2015
Insurance - health	\$ 3,143	\$ -

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**18. Accumulated surplus**

The accumulated surplus consists of the following:

	2016	2015
Restricted		
Invested in tangible capital assets	\$ 34,893,798	\$ 35,294,375
Funds held in trust by federal government	16,999,404	17,467,099
Equity in related entities	358,974	406,894
CMHC reserves	539,186	635,094
	<hr/> 52,791,362	<hr/> 53,803,462
Unrestricted		
Operating surplus (deficit)	533,953	(347,543)
	<hr/> \$ 53,325,315	<hr/> \$ 53,455,919

**19. 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 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.
2. 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.



**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

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

	Revenue	Expenditures	Transfers	Surplus (deficit)
Community Development	1,238,024	1,457,713	(461,501)	(681,190)
Economic Development	98,415	115,121	-	(16,706)
Education	2,730,256	2,824,382	320,581	226,455
Indian Government Support	637,686	1,304,773	392,458	(274,629)
Land Management	179,850	168,619	28,499	39,730
Social Development	1,634,230	1,677,865	64,014	20,379
Indian Registration	20,338	40,139	19,801	-
Governance and Institutions of Government	-	19,616	33,656	14,040
Health	1,659,917	1,669,445	(97,280)	(106,808)
CMHC	493,995	394,308	(296,295)	(196,608)
Other Programs	5,129,036	2,905,336	(1,378,962)	844,738
Amortization	-	1,375,029	1,375,029	-
	13,821,747	13,952,346	-	(130,599)

**21. Reconciliation of INAC revenue**

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

	2016	2015
Balance per INAC confirmation	\$ 6,155,623	\$ 6,081,234
Receivable (payable) previous year P & ID	-	(18,000)
Receivable (payable) current year		
Band Employee Benefits	23,035	(40,589)
Basic Needs	91,933	15,138
National Child Benefit Re-investment	-	(5,255)
Special Needs	-	(15,008)
Institutional Care	(17,573)	(13,513)
Home Care	(1,679)	-
	\$ 6,251,339	\$ 6,004,007

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**22. Government Transfers**

	2016		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 5,871,990	\$ 379,349	\$ 6,251,339
Health Canada	1,262,738	33,554	1,296,292
Canada Mortgage and Housing Corporation	332,520	-	332,520
<b>Total</b>	<b>7,467,248</b>	<b>412,903</b>	<b>7,880,151</b>
<b>Provincial government transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 7,467,248</b>	<b>\$ 412,903</b>	<b>\$ 7,880,151</b>

  

	2015		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 5,624,658	\$ 379,349	\$ 6,004,007
Health Canada	1,293,151	-	1,293,151
Canada Mortgage and Housing Corporation	343,037	-	343,037
<b>Total</b>	<b>7,260,846</b>	<b>379,349</b>	<b>7,640,195</b>
<b>Provincial government transfers</b>	<b>19,195</b>	<b>-</b>	<b>19,195</b>
<b>Total</b>	<b>\$ 7,280,041</b>	<b>\$ 379,349</b>	<b>\$ 7,659,390</b>

**23. 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, 2016 the reserve accounts were overfunded by \$21,698 (2015 underfunded - \$120,622). The amount required to be set aside was \$539,187 and the amount in the reserve bank account was \$560,885. (The reserve amount of \$539,187 is not reported separately on these financial statements, but is included in equity).

**24. 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 \$16,238 (2015- \$15,238).

**25. 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 does not have any other obligations with regards to the pension plan as at March 31, 2016.

**26. 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.

**27. 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.

**28. Economic dependence**

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

**29. 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. The budget was approved by management.

**30. Subsequent events**

There are no subsequent events to report.

### **31. INAC funding**

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

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

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

## **32. Segmented information**

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

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

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

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

#### **Community Development:**

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

#### **Economic Development:**

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

#### **Education:**

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

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

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

**32. 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, 2016*

**33. Expenses by object**

	2016 Budget	2016 Actual	2015 Actual
Administration	\$ 180,396	\$ 246,298	\$ 179,834
Advertising, promotions, sponsorships	5,000	901	2,074
Amortization	-	1,375,029	1,177,312
Assistance - social development	1,127,814	1,248,855	1,253,362
Assistance to band members	678,141	685,559	691,558
Bad debts	-	73,995	11,225
Community expenses	20,000	8,540	43,185
Consultants and contractors	565,449	760,430	1,405,837
Contribution to Nakoda Developments LP	-	400,000	-
Cultural programs	23,158	16,091	37,609
Donations and sponsorships	5,000	71,502	7,990
Emergency planning	2,500	-	-
Enbridge expenses	-	110,117	-
Enhanced administration	61,931	-	-
Enhanced community development	125,081	-	-
Enhanced education	107,057	-	-
Enhanced student support	500,000	212,281	-
Equipment leases	64,000	53,840	53,014
Equipment purchases	40,640	120,361	84,605
Evaluation process	500	33,528	-
Fuel	81,050	65,189	78,986
Graduation, awards, prizes	35,500	37,537	41,336
Honorariums	343,000	292,847	317,055
IRA support	28,052	-	-
Insurance	117,977	171,800	158,549
Interest and bank charges	35,604	84,590	62,966
Janitorial supplies	10,500	14,263	6,837
Leases	4,500	14,450	10,324
Living allowance	469,000	593,997	531,041
Long term debt - interest	1,392,057	204,926	247,216
Loss (gain) on disposal of assets	-	-	(7,363)
NCBR - administration	3,847	1,736	7,235
NCBR - community based support	97,450	87,259	94,708
NCBR - home to work	85,700	97,792	76,435
Other expenses	30,559	59,618	29,086
PCD reconciliation repayment	-	-	74,500
Per capita distribution (repaid)	-	(57,000)	292,713
Pow wow expenses	140,000	144,814	119,000
Prenatal clinic	-	68	2,217
Prevention youth	-	452	-
Professional fees	79,000	281,559	327,084
Program expenses	140,151	133,141	171,761
Public relations	25,500	13,407	5,770
Recreational activities	177,098	306,048	199,557
Rent	8,000	8,000	8,000

**Carry the Kettle First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2016*

**33. Expenses by object, continued**

	2016 Budget	2016 Actual	2015 Actual
Repairs and maintenance	706,183	1,130,823	917,845
Security	6,000	2,804	3,198
Social development support	51,429	-	-
Student allowance	13,000	10,812	12,202
Supplies	299,131	281,303	443,899
TCPL program	-	331,626	53,648
Telephone	74,365	76,033	63,159
Training	311,115	170,426	153,730
Travel - medical transportation	5,500	11,146	17,084
Travel, meetings, per diems	397,908	272,157	312,349
Tuition	308,000	272,822	360,293
Utilities	123,268	84,527	123,263
Wages and benefits	3,742,549	3,804,754	3,765,498
Workshops	305	304	-
Youth activities	5,000	12,200	2,910
Unexpended funds not recognized in prior year	-	-	269,940
Transfer to capital assets	-	(483,208)	(974,886)
	<b>\$ 12,854,965</b>	<b>\$ 13,952,349</b>	<b>\$ 13,326,750</b>



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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 989,095	\$ 633,240	\$ 603,485
INAC - set	28,050	-	28,050
INAC - flexible	-	379,349	379,349
CMHC	-	550	10,125
FHQ Tribal Council	-	6,251	6,251
Saskatchewan Government	-	-	19,195
Insurance proceeds	-	67,048	332,410
Other revenue	94,695	20,211	15,214
Unexpended funds transferred - prior year	-	137,736	213,471
Deferred revenue - previous year	137,736	-	58,943
	<b>1,249,576</b>	<b>1,244,385</b>	<b>1,666,493</b>
<b>Expenses</b>			
Administration	50,812	47,762	7,745
Consultants and contractors	300,484	432,512	1,025,030
Equipment leases	30,000	2,108	2,219
Equipment purchases	9,500	49,136	11,959
Fuel	40,000	35,991	41,233
Insurance	86,646	98,432	69,374
Interest and bank charges	929	2,059	781
Long term debt - interest	344,486	51,257	21,976
Janitorial supplies	2,000	1,864	1,269
Other expenses	25,000	23,077	25,159
Repairs and maintenance	433,384	614,274	711,715
Supplies	83,451	54,456	212,417
Telephone	6,800	5,592	3,352
Training	11,814	1,890	285
Travel, meetings, per diems	33,700	28,615	21,220
Utilities	90,000	51,582	85,502
Wages and benefits	344,467	347,618	364,571
Transfer to capital assets	-	(390,512)	(928,686)
	<b>1,893,473</b>	<b>1,457,713</b>	<b>1,677,121</b>
<b>Current deficit before unexpended transfers</b>	<b>(643,897)</b>	<b>(213,328)</b>	<b>(10,628)</b>
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(6,361)	(137,736)
<b>Current deficit before transfers</b>	<b>(643,897)</b>	<b>(219,689)</b>	<b>(148,364)</b>
<b>Transfers</b>			
Transfer - Other Programs	134,670	323,372	100,000
Transfer - Amortization	-	(784,873)	(689,858)
<b>Current deficit</b>	<b>\$ (509,227)</b>	<b>\$ (681,190)</b>	<b>\$ (738,222)</b>

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ 98,415	\$ 98,415	\$ 98,415
Deferred revenue - previous year	19,441	-	-
	117,856	98,415	98,415
<b>Expenses</b>			
Assistance to band members	109,141	103,185	70,559
Administration	-	11,786	8,415
Travel, meetings, per diems	300	150	-
	109,441	115,121	78,974
<b>Current surplus (deficit)</b>	\$ 8,415	\$ (16,706)	\$ 19,441

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 2,334,480	\$ 2,337,085	\$ 2,343,755
INAC - set	398,395	421,122	398,395
FHQ Tribal Council	24,693	24,693	25,632
Other revenue	-	28,580	693
Unexpended funds transferred - prior year	-	-	38,022
	2,757,568	2,811,480	2,806,497
<b>Expenses</b>			
Administration	1,510	6,800	-
Advertising, promotions, sponsorships	2,500	-	-
Consultants and contractors	156,897	159,074	130,718
Cultural programs	2,158	2,696	3,242
Donations and sponsorships	500	2,500	400
Equipment leases	500	4,458	-
Equipment purchases	-	-	475
Fuel	15,000	11,927	17,493
Graduation, awards, prizes	35,500	37,537	41,336
Insurance	9,500	3,596	7,369
Long term debt - interest	56,100	10,297	13,149
Living allowance	469,000	405,643	531,041
Recreational activities	30,000	34,385	58,884
Repairs and maintenance	13,000	5,108	11,791
Student allowance	13,000	10,812	12,202
Supplies	117,515	118,233	144,818
Telephone	5,500	9,477	4,898
Training	10,000	8,396	9,781
Travel, meetings, per diems	46,112	31,955	50,452
Tuition	308,000	272,822	360,293
Wages and benefits	1,600,158	1,688,666	1,716,894
	2,892,450	2,824,382	3,115,236
<b>Current deficit before unexpended transfers</b>	(134,882)	(12,902)	(308,739)
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(81,224)	-
<b>Current deficit before transfers</b>	(134,882)	(94,126)	(308,739)
<b>Transfers</b>			
Transfer - Other Programs	45,000	398,356	154,751
Transfer - Amortization	-	(77,775)	(77,775)
<b>Current surplus (deficit)</b>	\$ (89,882)	\$ 226,455	\$ (231,763)

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - grant	\$ 469,799	\$ 469,799	\$ 469,799
INAC - fixed	33,839	31,461	37,599
INAC - set	109,324	91,522	121,471
INAC - current year receivable (payable)	-	23,035	(40,589)
Other revenue	39,763	21,869	16,012
	<b>652,725</b>	<b>637,686</b>	<b>604,292</b>
<b>Expenses</b>			
Administration	-	-	370
Advertising, promotions, sponsorships	1,000	596	1,371
Bad debts	-	69,695	-
Consultants and contractors	49,000	58,630	84,991
Donations and sponsorships	-	-	700
Equipment leases	21,000	23,017	25,167
Equipment purchases	12,140	12,140	3,300
Honorariums	343,000	292,847	317,055
Insurance	1,281	1,281	2,980
Interest and bank charges	17,000	40,191	53,314
Professional fees	65,000	167,975	104,021
Public relations	20,000	1,000	-
Repairs and maintenance	1,000	285	508
Supplies	30,000	37,240	28,898
Telephone	35,000	36,031	35,934
Training	25,000	13,351	8,676
Travel, meetings, per diems	108,600	116,303	143,392
Wages and benefits	510,628	446,331	456,600
Transfer to capital assets	-	(12,140)	-
	<b>1,239,649</b>	<b>1,304,773</b>	<b>1,267,277</b>
<b>Current deficit before transfers</b>	<b>(586,924)</b>	<b>(667,087)</b>	<b>(662,985)</b>
<b>Transfers</b>			
Transfer - Other Programs	441,600	395,493	442,299
Transfer - Land Management	13,000	-	-
Transfer - Amortization	-	(3,035)	-
<b>Current deficit</b>	<b>\$ (132,324)</b>	<b>\$ (274,629)</b>	<b>\$ (220,686)</b>

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 235,366	\$ 235,366	\$ 207,757
INAC - set	-	-	20,000
Other revenue	-	100,300	-
Unexpended funds transferred - prior year	-	-	18,447
Deferred revenue - previous year	-	-	28,014
Deferred revenue - current year	-	(100,000)	-
	235,366	235,666	274,218
<b>Expenses</b>			
Administration	15,500	397	24,481
Consultants and contractors	7,500	3,750	30,164
Equipment purchases	19,000	11,806	22,372
Program expenses	-	-	20,000
Repairs and maintenance	-	-	10,648
Supplies	4,000	2,107	1,262
Telephone	4,000	3,329	3,523
Training	5,000	3,670	1,850
Travel, meetings, per diems	15,000	11,737	12,035
Wages and benefits	143,366	143,054	147,883
Transfer to capital assets	-	(11,231)	-
	213,366	168,619	274,218
<b>Current surplus before unexpended transfers</b>	22,000	67,047	-
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	(55,816)	-
<b>Current surplus before transfers</b>	22,000	11,231	-
<b>Transfers</b>			
Transfer - Indian Government Support	(13,000)	-	-
Transfer - Other Programs	-	34,109	-
Transfer - Amortization	-	(5,610)	(2,841)
<b>Current surplus (deficit)</b>	\$ 9,000	\$ 39,730	\$ (2,841)

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 84,971	\$ 84,971	\$ 84,971
INAC - set	1,562,978	1,451,370	1,366,713
INAC - current year receivable (payable)	-	72,681	(18,638)
FHQ Tribal Council	(25,208)	25,208	30,200
	1,622,741	1,634,230	1,463,246
<b>Expenses</b>			
Administration	4,304	4,808	3,808
Assistance - social development	1,127,814	1,245,422	1,251,744
Consultants and contractors	15,000	16,776	3,039
Equipment purchases	-	700	-
Interest and bank charges	2,100	1,957	2,100
NCBR - administration	3,847	1,736	7,235
NCBR - community based support	97,450	87,259	94,708
NCBR - home to work	85,700	97,792	76,435
Supplies	14,286	15,181	11,896
Telephone	4,010	5,128	1,201
Training	1,200	4,500	9,820
Travel, meetings, per diems	17,000	11,708	7,840
Utilities	360	360	390
Wages and benefits	173,771	184,538	171,836
	1,546,842	1,677,865	1,642,052
<b>Current deficit before transfers</b>	75,899	(43,635)	(178,806)
<b>Transfers</b>			
Transfer - Other Programs	-	64,014	23,086
<b>Current surplus (deficit)</b>	\$ 75,899	\$ 20,379	\$ (155,720)

The accompanying notes are an integral part of the financial statements

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

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - fixed	\$ 19,890	\$ 20,338	\$ 19,890
<b>Expenses</b>			
Consultants and contractors	500	-	3,692
Repairs and maintenance	-	-	398
Supplies	1,500	507	923
Telephone	1,100	1,200	1,100
Travel, meetings, per diems	5,900	6,549	33,572
Wages and benefits	32,842	31,579	29,138
Workshops	305	304	-
	42,147	40,139	68,823
<b>Current deficit before transfers</b>	(22,257)	(19,801)	(48,933)
<b>Transfers</b>			
Transfer - Other Programs	-	19,801	22,437
<b>Current deficit</b>	\$ (22,257)	\$ -	\$ (26,496)

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**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
INAC - prior period revenue (recovery)	\$ -	\$ -	\$ (18,000)
<b>Expenses</b>			
Consultants and contractors	-	19,616	-
<b>Current deficit before transfers</b>	-	(19,616)	(18,000)
<b>Transfers</b>			
Transfer - Other Programs	-	33,656	-
<b>Current surplus (deficit)</b>	\$ -	\$ 14,040	\$ (18,000)

The accompanying notes are an integral part of the financial statements



**Schedule #9**  
**Carry the Kettle First Nation**  
**Health**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
Health Canada	\$ 1,241,687	\$ 1,296,292	\$ 1,293,151
FHQ Tribal Council	118,052	121,416	120,302
Other revenue	50,000	105,777	75,536
Administration fees - internal allocation	112,575	136,432	116,815
	<b>1,522,314</b>	<b>1,659,917</b>	<b>1,605,804</b>
<b>Expenses</b>			
Administration	108,270	131,624	113,007
Advertising, promotions, sponsorships	1,500	305	703
Assistance - social development	-	3,433	1,618
Assistance to band members	9,000	6,719	928
Bad debts	-	4,300	11,225
Consultants and contractors	28,000	29,275	78,189
Cultural programs	2,000	1,289	-
Donations and sponsorships	4,500	5,625	1,634
Emergency planning	2,500	-	-
Equipment leases	12,500	24,258	12,213
Equipment purchases	-	46,580	43,000
Evaluation process	500	33,528	-
Fuel	26,050	17,271	20,261
Insurance	20,550	22,818	31,423
Interest and bank charges	15,575	3,428	3,271
Janitorial supplies	8,500	12,399	5,568
Leases	4,500	14,450	10,324
Long term debt - interest	-	4,066	9,150
Loss (gain) on disposal of assets	-	-	(7,363)
Other expenses	5,559	35,915	2,631
Prenatal clinic	-	68	2,217
Prevention youth	-	452	-
Professional fees	14,000	12,300	11,650
Program expenses	140,151	133,141	151,761
Public relations	5,500	12,407	5,770
Rent	8,000	8,000	8,000
Repairs and maintenance	23,900	72,245	24,552
Security	6,000	2,804	3,198
Supplies	48,379	41,646	37,611
Telephone	16,755	14,076	12,368
Training	98,201	82,513	79,182

The accompanying notes are an integral part of the financial statements

**Schedule #9, continued**  
**Carry the Kettle First Nation**  
**Health**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
Travel - medical transportation	5,500	11,146	17,084
Travel, meetings, per diems	37,450	53,739	34,150
Utilities	32,908	32,586	37,371
Wages and benefits	831,066	852,164	776,022
Youth activities	5,000	12,200	2,910
Transfer to capital assets	-	(69,325)	(46,200)
	1,522,314	1,669,445	1,495,428
<b>Current surplus (deficit) before transfers</b>	-	(9,528)	110,376
<b>Transfers</b>			
Transfer - Amortization	-	(97,280)	(60,978)
<b>Current surplus (deficit)</b>	\$ -	\$ (106,808)	\$ 49,398

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Carry the Kettle First Nation**  
**CMHC**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
CMHC	\$ -	\$ 331,970	\$ 332,911
Rental income - CMHC housing	-	162,025	149,786
	-	493,995	482,697
<b>Expenses</b>			
Administration	-	41,280	-
Insurance	-	45,673	36,569
Long term debt - interest	-	70,508	94,445
Professional fees	-	14,960	14,960
Repairs and maintenance	-	221,887	133,826
	-	394,308	279,800
<b>Current surplus before transfers</b>	-	99,687	202,897
<b>Transfers</b>			
Transfer - Other Programs	-	110,161	-
Transfer - Amortization	-	(406,456)	(345,860)
<b>Current deficit</b>	\$ -	\$ (196,608)	\$ (142,963)

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Carry the Kettle First Nation**  
**Other Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
Keseechiwan Holdings LP	\$ 50,000	\$ 60,000	\$ 70,000
First Nations Trust	954,756	954,756	954,771
Earned and held in trust by federal government	1,663,346	1,363,993	1,883,156
Community Development Corporation	117,222	158,751	117,222
Taxation revenue	722,940	707,747	738,546
Other revenue	707,234	864,082	609,484
Equity increase (decrease) in related entities	-	(47,920)	(749,464)
Realized gain on wind up of CTK Plastics LP	-	930,438	-
Administration fees - internal allocation	-	96,314	29,733
Deferred revenue - previous year	-	40,875	86,582
Deferred revenue - current year	-	-	(40,875)
	4,215,498	5,129,036	3,699,155
<b>Expenses</b>			
Administration	-	1,840	22,008
Assistance to band members	560,000	575,656	620,071
Community expenses	20,000	8,540	43,185
Consultants and contractors	8,068	40,797	50,013
Contribution to Nakoda Developments LP	-	400,000	-
Cultural programs	19,000	12,106	34,367
Donations and sponsorships	-	63,377	5,256
Enbridge expenses	-	110,117	-
Enhanced administration	61,931	-	-
Enhanced community development	125,081	-	-
Enhanced education	107,057	-	-
Enhanced student support	500,000	212,281	-
Equipment leases	-	-	13,416
Equipment purchases	-	-	3,500
IRA support	28,052	-	-
Insurance	-	-	10,833
Interest and bank charges	-	36,956	3,500
Living allowance	-	188,355	-
Long term debt - interest	991,471	68,798	108,495
Other expenses	-	627	1,296
PCD reconciliation repayment	-	-	74,500
Per capita distribution (repaid)	-	(57,000)	292,713
Pow wow expenses	140,000	144,814	119,000
Professional fees	-	86,324	196,453
Recreational activities	147,098	271,662	140,672
Repairs and maintenance	234,899	217,025	24,407
Social development support	51,429	-	-
Supplies	-	11,933	6,074
TCPL program	-	331,626	53,648
Telephone	1,200	1,200	783

The accompanying notes are an integral part of the financial statements

**Schedule #11, continued**  
**Carry the Kettle First Nation**  
**Other Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
Training	159,900	56,105	44,137
Travel, meetings, per diems	133,846	11,401	9,687
Unexpended funds not recognized in prior year	-	-	269,940
Wages and benefits	106,251	110,796	102,554
	3,395,283	2,905,336	2,250,508
<b>Current surplus before transfers</b>	820,215	2,223,700	1,448,647
<b>Transfers</b>			
Transfer - Community Development	(134,670)	(323,372)	(100,000)
Transfer - Education	(45,000)	(398,356)	(154,751)
Transfer - Indian Government Support	(441,600)	(395,493)	(442,299)
Transfer - Indian Registration	-	(19,801)	(22,437)
Transfer - Social Development	-	(64,014)	(23,086)
Transfer - Land Management	-	(34,109)	-
Transfer - Governance & Institutions of Government	-	(33,656)	-
Transfer - CMHC	-	(110,161)	-
<b>Current surplus</b>	\$ 198,945	\$ 844,738	\$ 706,074

The accompanying notes are an integral part of the financial statements

**Schedule #12**  
**Carry the Kettle First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2016*

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Band support - Administration	-	3,035	-
CMHC Operations	-	406,456	345,860
Community Buildings	-	23,367	23,367
Daycare	-	-	14,086
Health Transfer	-	97,280	36,142
Infrastructure Assets	-	215,505	132,570
Land Management	-	5,610	2,841
Medical Transportation	-	-	10,750
Roads	-	72,161	72,161
Sanitation	-	240	240
School Maintenance	-	471,950	459,870
Student transportation	-	77,775	77,775
Water	-	1,650	1,650
	-	1,375,029	1,177,312
<b>Current deficit before transfers</b>	-	(1,375,029)	(1,177,312)
<b>Transfers</b>			
Transfer - Programs	-	1,375,029	1,177,312
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements