

**Carry the Kettle First Nation
Consolidated Financial Statements
March 31, 2017**

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Carry the Kettle First Nation
Management's Responsibility for Financial Reporting
March 31, 2017

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

10/04/17

Date

Chalupiak & Associates
Chartered Professional Accountants
3261 Saskatchewan Drive, Regina, SK S4T 6S4
Phone (306) 359-3711 Fax (306) 569-3030

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, 2017, 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, 2017, 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
September 18, 2017

Chalupiak & Associates
Chartered Professional Accountants

Carry the Kettle First Nation
Consolidated Statement of Financial Position
March 31, 2017

	2017	2016
Financial Assets		
Cash (Note 3)	\$ 1,548,590	\$ -
Restricted cash - other (Note 3)	1,425,589	51,754
Restricted cash - CMHC reserves (Notes 3 and 25)	513,155	560,885
Trust funds held by federal government (Note 3 and 4)	15,837,194	16,999,404
Accounts receivable (Notes 5 and 6)	1,891,956	1,217,271
Due to/from related entities (Note 7)	33,823	166,090
Deposit on land (Note 8)	151,000	-
Equity in related entities (Notes 9 and 10)	406,190	358,974
Portfolio investment (Note 11)	60,000	60,000
	<u>21,867,497</u>	<u>19,414,378</u>
Liabilities		
Bank indebtedness (Notes 3 and 12)	-	254,590
Accounts payable (Note 13)	331,758	488,013
Deferred revenue - unexpended funds (Note 14)	159,506	143,401
Deferred revenue (Note 15)	1,376,175	100,000
Current portion of long-term debt (Note 16)	345,933	595,140
Current portion of CMHC mortgages (Note 17)	232,736	319,363
Long-term debt (Note 16)	2,679,556	1,190,126
CMHC mortgages (Note 17)	2,166,397	2,439,662
	<u>7,292,061</u>	<u>5,530,295</u>
Net financial assets	<u>14,575,436</u>	<u>13,884,083</u>
Non-financial Assets		
Capital assets (Note 19)	38,151,739	39,438,089
Prepaid expenses (Note 20)	498,464	3,143
	<u>38,650,203</u>	<u>39,441,232</u>
Accumulated Surplus (Note 21)	<u>\$ 53,225,639</u>	<u>\$ 53,325,315</u>

Approved on behalf of the Carry the Kettle First Nation:

Signature on file

Signature on file

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - grant	\$ 469,799	\$ 505,132	\$ 469,799
INAC - fixed	3,479,655	4,259,348	3,342,461
INAC - set	1,812,990	1,964,465	1,964,014
INAC - flexible	379,349	1,934,949	379,349
INAC - current year receivable (payable)	-	42,633	95,716
Health Canada	1,286,768	1,298,228	1,296,292
CMHC - subsidy	-	357,553	331,970
CMHC - RRAP	-	5,190	550
CMHC - other	-	299,220	-
FHQ Tribal Council	118,052	371,999	275,982
First Nations Trust	-	904,266	954,756
Earned and held in trust by federal government	-	1,942,387	1,363,993
Keseechiwan Holdings LP	-	60,000	60,000
Insurance proceeds	-	33,948	67,048
Taxation revenue	-	736,429	707,747
Painted Hand Community Development Corp.	-	119,829	158,751
Saskatchewan Lotteries	-	8,489	-
Other revenue	160,426	1,935,010	1,140,820
Rental income - CMHC housing	-	174,306	162,025
Equity increase (decrease) in related entities	-	47,216	(47,920)
Realized gain on wind up of CTK Plastics LP	-	-	930,438
Administration fees - internal allocation	117,223	211,905	232,746
Unexpended funds transferred - prior year	-	143,401	137,736
Deferred revenue - previous year	-	100,000	40,875
Deferred revenue - current year	-	(1,376,175)	(100,000)
	7,824,262	16,079,728	13,965,148
Expenses			
Claims and Indian Government (Schedule 1)	-	1,243,927	-
Community Development (Schedule 2)	871,996	2,098,832	1,457,714
Economic Development (Schedule 3)	-	48,394	115,121
Education (Schedule 4)	3,031,235	3,240,998	2,824,382
Indian Government Support (Schedule 5)	1,144,443	1,528,636	1,324,389
Land Management (Schedule 6)	236,501	348,848	168,619
Social Development (Schedule 7)	272,038	1,948,398	1,677,865
Indian Registration (Schedule 8)	41,692	48,411	40,139
Health (Schedule 9)	1,543,043	1,648,306	1,669,445
CMHC (Schedule 10)	-	350,788	394,308
Other Programs (Schedule 11)	300,337	2,105,074	2,905,337
Amortization (Schedule 12)	-	1,409,285	1,375,029
	7,441,285	16,019,897	13,952,348
Current surplus before unexpended transfers	382,976	59,831	12,796

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, 2017

	2017 Budget	2017 Actual	2016 Actual
<hr/>			
Unexpended transfers			
Unexpended funds transferred to deferred revenue	-	(159,506)	(143,401)
Current deficit	\$ 382,976	\$ (99,675)	\$ (130,605)
	<hr/>		

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, 2017

	2017	2016
Surplus at beginning of year	\$ 53,325,314	\$ 53,455,919
Current deficit	(99,675)	(130,605)
Surplus at end of year	<u>\$ 53,225,639</u>	<u>\$ 53,325,314</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, 2017

	2017 Budget	2017 Actual	2016 Actual
Current deficit	\$ 382,976	\$ (99,675)	\$ (130,605)
Acquisition of tangible capital assets	-	(122,936)	(482,236)
Amortization of tangible capital assets	-	1,409,285	1,375,028
	-	1,286,349	892,792
Acquisition of prepaid asset	(498,464)	(498,464)	(3,143)
Use of prepaid asset	3,143	3,143	-
	(495,321)	(495,321)	(3,143)
(Decrease) increase in net financial assets	(112,345)	691,353	759,044
Net financial assets at beginning of year	13,884,083	13,884,083	13,125,039
Net financial assets at end of year	\$ 13,771,738	\$ 14,575,436	\$ 13,884,083

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, 2017

	2017	2016
Cash flows from		
Operating activities		
Current deficit	\$ (99,675)	\$ (130,605)
Items not affecting cash		
Amortization	1,409,285	1,375,028
	1,309,610	1,244,423
Change in non-cash operating working capital		
Accounts receivable	(674,685)	(181,428)
Prepaid expenses	(495,321)	(3,143)
Deposit on land	(151,000)	-
Accounts payable	(156,257)	(801,363)
Deferred revenue - unexpended funds	16,105	5,665
Deferred revenue	1,276,175	59,125
	1,124,627	323,279
Capital activities		
Additions to capital assets	(122,934)	(482,237)
Financing activities		
Due to/from related entities	132,267	(137,030)
Proceeds from long-term debt	2,977,978	561,952
Long term debt repaid	(1,737,755)	(1,223,102)
CMHC mortgage advances	-	473,674
CMHC mortgages repaid	(359,892)	(304,737)
	1,012,598	(629,243)
Investing activities		
Equity in related entities	(47,216)	47,920
Restricted cash - other	(1,373,835)	(11,846)
Restricted cash - CMHC	47,730	(37,314)
Trust funds held by federal government	1,162,210	467,695
	(211,111)	466,455
Increase (decrease) in cash and cash equivalents	1,803,180	(321,746)
Cash and cash equivalents, beginning of year	(254,590)	67,156
Cash and cash equivalents, end of year	\$ 1,548,590	\$ (254,590)

The accompanying notes are an integral part of the financial statements

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

1. General

Carry the Kettle First Nation ("the 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 its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

(e) Cash and cash equivalents

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

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

(f) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2017.

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.

(g) Tangible capital assets

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

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

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

Buildings	25 years Straight line
Vehicles	4 years Straight line
Computer equipment	3 years Straight line
Equipment	4 - 10 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.

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

(h) Portfolio investments

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

(i) Trust funds

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

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

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

(j) Use of estimates

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

(k) 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.

(l) 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."

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

(m) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or the service is performed.

(n) Expense recognition

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

(o) 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, 2017

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 and cash equivalents is comprised of the following:

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

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

	2017	2016
Unrestricted cash		
CMHC operations	\$ 105,588	\$ 41,208
Health operations	65,183	67,213
Social development	53,455	(94,526)
Project accounts	55,875	4,551
Band operations	1,268,489	(273,036)
	<u>1,548,590</u>	<u>(254,590)</u>
Restricted cash - CMHC reserves		
Replacement reserve	42,435	141,095
Replacement reserve - GIC	250,000	250,000
Operating reserve	220,720	169,790
	<u>513,155</u>	<u>560,885</u>
Restricted cash - other		
Low pressure water	3,267	-
Lawyers' Trust - specific claims	1,422,322	51,754
	<u>1,425,589</u>	<u>51,754</u>
Restricted cash - trust funds held by federal government		
Capital	14,894,951	16,077,495
Revenue	942,243	921,909
	<u>15,837,194</u>	<u>16,999,404</u>
	<u>\$ 19,324,528</u>	<u>\$ 17,357,453</u>

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

4. Restricted cash - trust funds held by federal government

	2017 Revenue	2017 Capital	2017 Total	2016 Total
Surplus, beginning of year	\$ 921,909	\$ 16,077,495	\$ 16,999,404	\$ 16,914,238
Withdrawals	(1,594,596)	(1,510,000)	(3,104,596)	(1,335,827)
Royalties	-	327,456	327,456	446,076
Interest	515,123	-	515,123	187,090
Lease revenue	1,099,807	-	1,099,807	730,827
Repayments - per capita distribution	-	-	-	57,000
Surplus, end of year	\$ 942,243	\$ 14,894,951	\$ 15,837,194	\$ 16,999,404

5. Accounts receivable

	2017	2016
Due from government and other government organizations		
INAC	\$ 97,036	\$ 114,968
Health Canada	-	3,355
CMHC Subsidy	24,823	34,712
CMHC Retrofit	120,125	-
Canada Revenue Agency - GST	18,333	11,147
Total due from government and other government organizations	260,317	164,182
Due from members		
Advances - administration	619,690	610,484
Advances - health	12,249	15,905
Advances - social development	101,347	104,044
Total due from members	733,286	730,433
Due from others		
FHQ Tribal Council	136,887	174,453
Taxation revenue	183,434	416,539
Funds held in trust by federal government	-	552,861
Health programs	10,424	18,257
Other	11,491	100,030
Land claims settlement	1,243,927	-
Total due from others	1,586,163	1,262,140
Allowance for doubtful accounts	2,579,766	2,156,755
	(687,810)	(939,484)
	\$ 1,891,956	\$ 1,217,271

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

6. Accounts receivable - INAC

	2017	2016
Band Employee Benefits	\$ 9,300	\$ 23,035
Basic Needs	79,835	91,933
Institutional Care	7,901	-
	<u>\$ 97,036</u>	<u>\$ 114,968</u>

7. Due from (to) related entities

	2017	2016
Nakota Junction Convenience Store Inc.	\$ 189,920	\$ 186,730
TLE	(6,097)	(20,640)
Nakoda Developments LP	(150,000)	-
	<u>\$ 33,823</u>	<u>\$ 166,090</u>

8. Deposit on land

On November 9, 2016 the First Nation entered into an agreement with the Government of Canada to purchase the Indian Head Agro-Forestry Development Research Station located near Indian Head. A deposit of \$151,000 was made prior to year end.

	2017	2016
Land purchase	<u>\$ 151,000</u>	<u>\$ -</u>

9. Equity in related business entities

	Investment, start of year	Share of earnings (loss)	Investment, end of year
Nakota Junction Convenience Store Inc.	\$ (33,846)	\$ 63,684	\$ 29,838
Nakoda Developments LP	392,820	(16,468)	376,352
	<u>\$ 358,974</u>	<u>\$ 47,216</u>	<u>\$ 406,190</u>

Carry the Kettle First Nation

Notes to Consolidated Financial Statements

March 31, 2017

10. Equity in government business enterprises

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

Nakota Junction Convenience Store Inc. prepared audited financial statements for the year ended August 31, 2016 and these consolidated statements report the equity in the entity based on the August 31, 2016 audited financial statements.

Nakoda Developments LP prepared audited financial statements for the year ended March 31, 2017 and these consolidated statements report the equity in the entity based on the March 31, 2017 audited financial statements.

	2017	2016
Nakota Junction Convenience Store Inc.	\$ 29,838	\$ (33,846)
Nakoda Developments LP	374,853	392,820
Total	\$ 404,691	\$ 358,974

	Nakota Junction Convenience Store Inc.	Nakoda Development LP	2017 Total	2016 Total
Current assets	\$ 172,068	\$ 230,353	\$ 402,421	\$ 580,946
Tangible capital assets	90,691	-	90,691	98,353
Due from related entities	-	150,000	150,000	-
Total assets	\$ 262,759	\$ 380,353	\$ 643,112	\$ 679,299
Current liabilities	\$ 46,191	\$ 5,500	\$ 51,691	\$ 133,595
Due to related entities	186,730	-	186,730	186,730
Total liabilities	232,921	5,500	238,421	320,325
Equity	29,838	374,853	404,691	358,974
Total equity	29,838	374,853	404,691	358,974
Total liabilities and equity	\$ 262,759	\$ 380,353	\$ 643,112	\$ 679,299

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

10. Equity in government business enterprises, continued

	Nakota Junction Convenience Store Inc.	Nakoda Developments LP	2017 Total	2016 Total
Revenue	\$ 2,511,709	\$ -	\$ 2,511,709	\$ 2,404,039
Cost of Sales	2,038,348	-	2,038,348	1,898,113
Expenses	409,677	16,468	426,145	440,700
Total expenses	2,448,025	16,468	2,464,493	2,338,813
Net income	\$ 63,684	\$ (16,468)	\$ 47,216	\$ 65,226

11. Portfolio investments

	2017	2016
Keseechiwan Holdings LP (8.3% interest)	\$ 60,000	\$ 60,000

12. Bank indebtedness

The First Nation has an approved line of credit on the general operating account of \$400,000 with the Royal Bank of Canada bearing interest at prime + 1.0%. On March 31, 2017 the line of credit used was \$nil (2016 - \$nil) and there were no cheques issued in excess of deposits of \$nil (2016 - \$57,378).

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

13. Accounts payable

	2017	2016
Due to government and other government organizations		
INAC	\$ 54,403	\$ 69,411
CRA payroll deductions	12,081	9,779
	<hr/> 66,484	<hr/> 79,190
Due to others		
General suppliers	152,209	331,504
General suppliers - social development	12,306	9,324
General suppliers - health	52,175	51,262
General suppliers - CMHC	48,584	16,733
Pension - London Life	-	-
	<hr/> 265,274	<hr/> 408,823
	<hr/> <hr/> \$ 331,758	<hr/> <hr/> \$ 488,013

14. 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.

	2017	2016
School Maintenance	\$ -	\$ 6,361
Post Secondary	99,895	81,224
Lands Management	21,935	33,816
LEDSP Ec Dev Designations	22,000	22,000
Transportation - Busing	607	-
Comprehensive Education Support	15,069	-
	<hr/> \$ 159,506	<hr/> \$ 143,401

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

15. Deferred revenue

	March 31, 2016	Funding received, 2017	Revenue recognized, 2017	March 31, 2017
Federal government				
Pow Wow Arbour	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
BBC - capacity development	-	174,100	-	174,100
BBC - renovations and additions	-	311,500	(229,107)	82,393
BBC - school repairs	-	70,000	(56,289)	13,711
LEDSP - sustainability plan	-	30,000	(24,880)	5,120
Waste management	-	18,321	(17,470)	851
	-	1,603,921	(327,746)	1,276,175
Other				
Specific Claims	100,000	-	-	100,000
Total	\$ 100,000	\$ 1,603,921	\$ (327,746)	\$ 1,376,175

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

16. Long-term debt

	2017	2016
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
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
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
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
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
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 - Land Claim Loan Term loan - bearing interest at prime plus .25%. Interest payments paid monthly and total principle due March 2021, secured by a general security agreement, BCR and assignment of settlement trust proceeds. Further security is provided by an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,801,400 and drawdowns will coincide with settlement expenses incurred.	1,289,423	-
Royal Bank #13 Interest at prime plus 1.0%, quarterly payments of \$56,428 plus interest, secured by assignment of taxation, gaming, and INAC monies, maturing February 1, 2018.	1,128,555	-
Royal Bank #14 Interest at prime plus 1.0%, quarterly blended payments of \$27,501, secured by assignment of taxation, gaming, and INAC monies, maturing March 21, 2018.	500,000	-
Royal Bank #8 - Health - Vehicle Term loan, interest at 5% per year, monthly blended payments of \$861, due March 16, 2020 secured by a vehicle.	28,724	37,391

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

16. Long-term debt, continued

	2017	2016
Royal Bank #9 - Health - Vehicle		
Term loan, interest at 5% per year, monthly blended payments of \$810, due March 16, 2020 secured by a vehicle.	27,002	35,149
Royal Bank - Health - Renovations		
Term loan, interest at 4.25% per year, monthly blended payments of \$1,110, due June 22, 2021. Secured by a general security agreement, BCR's and Health Canada funding.	51,785	-
	3,025,489	1,785,266
Current portion	345,933	595,140
	<u>\$ 2,679,556</u>	<u>\$ 1,190,126</u>

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

2018	\$ 345,933
2019	350,984
2020	356,228
2021	1,630,647
2022 and thereafter	341,697
	<u>\$ 3,025,489</u>

	2017	2016
Interest expense for the year on long-term debt	<u>\$ 144,295</u>	<u>\$ 134,418</u>

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

17. CMHC mortgages

	Phase number	Renewal date	Interest rate	Blended monthly payment	2017	2016
CMHC	1	3/1/2017	21.50%	\$ 9,207	\$ -	\$ 100,800
PHT	10	1/1/2017	5.290%	2,326	-	22,880
PHT	11	1/1/2018	5.240%	3,765	36,823	79,095
PHT	12	2/1/2020	4.915%	2,416	78,901	103,523
PHT	13	5/1/2016	6.470%	933	-	1,871
RBC	14	2/1/2018	1.870%	1,978	21,510	46,519
RBC	15	9/1/2018	2.490%	560	7,728	14,167
CMHC	16	12/1/2019	1.830%	1,010	86,829	97,290
CMHC	17	1/1/2021	1.170%	1,786	176,695	195,962
CMHC	18	6/1/2017	1.650%	824	91,927	100,245
CMHC	19	8/1/2021	1.050%	2,013	321,612	341,865
CMHC	20	4/1/2021	1.110%	4,182	863,737	900,005
CMHC	21	8/1/2017	1.390%	4,296	713,371	754,803
					2,399,133	2,759,025
Current portion					232,736	319,363
					<u>\$ 2,166,397</u>	<u>\$ 2,439,662</u>

18. 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 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, 2017

19. Tangible capital assets

	Cost	Additions	Accumulated amortization	2017 Net book value
Land	\$ 20,089,430	\$ -	\$ -	\$ 20,089,430
Buildings	12,097,254	-	7,833,491	4,263,763
Vehicles	603,732	15,716	529,906	89,541
Computer equipment	-	34,750	13,318	21,432
Equipment	1,110,388	69,433	726,048	453,773
Housing	7,673,876	-	3,608,257	4,065,619
Infrastructures	6,916,704	3,317,416	2,650,927	7,583,193
Assets under construction	4,899,368	(3,314,380)	-	1,584,988
	<u>\$ 53,390,752</u>	<u>\$ 122,935</u>	<u>\$ 15,361,947</u>	<u>\$ 38,151,739</u>

	Cost	Additions	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>\$ 13,952,663</u>	<u>\$ 39,438,090</u>

20. Prepaid expenses

	2017	2016
Health - insurance	\$ 5,700	\$ 3,143
Other	4,370	-
Insurance	167,694	-
Deposits on new houses	320,700	-
	<u>\$ 498,464</u>	<u>\$ 3,143</u>

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

21. Accumulated surplus

The accumulated surplus consists of the following:

	2017	2016
Restricted		
Invested in tangible capital assets	\$ 35,516,540	\$ 34,893,798
Funds held in trust by federal government	15,837,194	16,999,404
Equity in related entities	404,691	358,974
CMHC reserves	569,809	539,186
	<hr/> 52,328,234	<hr/> 52,791,362
Unrestricted		
Operating surplus (deficit)	897,405	533,953
	<hr/> \$ 53,225,639	<hr/> \$ 53,325,315

22. Revenue, expenditures and surplus (deficit) by segment

	Revenue	Expenditures	Transfers	Surplus (deficit)
Claims and Indian Government	1,243,927	1,243,927	-	-
Community Development	1,718,753	2,098,830	(406,857)	(786,934)
Economic Development	98,415	48,394	-	50,021
Education	3,259,896	3,240,998	80,964	99,862
Indian Government Support	667,902	1,528,636	656,277	(204,457)
Land Management	365,008	348,848	(10,821)	5,339
Social Development	1,806,465	1,948,398	31,318	(110,615)
Indian Registration	20,855	48,411	27,556	-
Health	1,637,803	1,648,307	(110,114)	(120,618)
CMHC	531,859	350,788	(406,456)	(225,385)
Other Programs	4,569,338	2,105,074	(1,271,152)	1,193,112
Amortization	-	1,409,285	1,409,285	-
	<hr/> 15,920,221	<hr/> 16,019,896	<hr/> -	<hr/> (99,675)

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

23. Reconciliation of INAC revenue

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

	2017	2016
Balance per INAC confirmation	\$ 8,686,929	\$ 6,155,623
Receivable (payable) previous year		
Band Employee Benefits	(23,035)	-
Receivable (payable) current year		
Band Employee Benefits	9,300	23,035
Basic Needs	79,835	91,933
National Child Benefit Re-investment	(54,403)	-
Institutional Care	7,901	(17,573)
Home Care	-	(1,679)
	<u>\$ 8,706,527</u>	<u>\$ 6,251,339</u>

24. Government Transfers

	2017		
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada	\$ 6,771,578	\$ 1,934,949	\$ 8,706,527
Health Canada	1,286,713	11,515	1,298,228
Canada Mortgage and Housing Corporation	362,743	299,220	661,963
Total	8,421,034	2,245,684	10,666,718
Provincial government transfers	-	-	-
Total	<u>\$ 8,421,034</u>	<u>\$ 2,245,684</u>	<u>\$ 10,666,718</u>

	2016		
	Operating	Capital	Total
Federal government transfers			
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
Total	7,467,248	412,903	7,880,151
Provincial government transfers	-	-	-
Total	<u>\$ 7,467,248</u>	<u>\$ 412,903</u>	<u>\$ 7,880,151</u>

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

25. 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, 2017 the reserve accounts were underfunded by \$56,654 (2016 overfunded - \$21,698). The amount required to be set aside was \$569,809 and the amount in the reserve bank account was \$513,155. (The reserve amount of \$569,809 is not reported separately on these financial statements, but is included in equity).

26. 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). Funds in the amount of \$7,820 (2016 - \$17,784) are retained in a separate bank account to cover future expenditures..

	2017	2016
Balance at beginning of year	\$ 16,238	\$ 15,238
	1,000	1,000
Expenditures (acquisitions and replacements)	(12,000)	-
	<u>\$ 5,238</u>	<u>\$ 16,238</u>

27. 1906 Surrender Claim

Carry the Kettle First Nation has entered into negotiations with Canada regarding a specific claim settlement. A loan has been secured to provide funding for the negotiation costs. There is an insurance policy guaranteeing repayment, should no settlement funds be received. The loan is approved for \$2,801,400 and draw downs will coincide with settlement expenses incurred. As at the March 31, 2017 year end the amount of \$1,289,423 (2016 - \$0) had been drawn down. This amount is reported as a liability to the lending institution and a corresponding amount plus the interest paid to date on the loan (less amounts held in the lawyers trust account) has been recorded as a receivable in the amount of \$1,243,927 (2016 - \$0)

28. 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, 2017.

29. 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.

30. 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.

31. 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.

32. 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.

33. Subsequent events

On November 9, 2016 the First Nation entered into an agreement with the Government of Canada to purchase the Indian Head Agro-Forestry Development Research Station located near Indian Head. A deposit of \$151,000 was made prior to year end. Subsequent to year end the agreement was finalized for a total purchase price of \$1,510,000.

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

34. Expenses by object

	2017 Budget	2017 Actual	2016 Actual
Administration	\$ 138,791	\$ 243,724	\$ 246,298
Advertising, promotions, sponsorships	4,700	758	901
Amortization	-	1,409,285	1,375,029
Assistance - social development	84,928	1,567,585	1,248,855
Assistance to band members	9,500	652,134	685,559
Bad debts	-	2,384	73,995
Committee expenses	-	26,206	-
Community expenses	-	54,488	8,540
Consultants and contractors	335,581	957,278	760,430
Contribution to Nakoda Developments LP	-	-	400,000
Cultural programs	2,000	62,120	16,091
Donations and sponsorships	5,500	128,757	71,502
Emergency planning	1,000	-	-
Emergency propane tanks	-	2,695	-
Enbridge expenses	-	-	110,117
Enhanced student support	-	23,633	212,281
Equipment leases	28,500	38,956	53,840
Equipment purchases	36,500	152,587	120,361
Evaluation process	1,500	2,000	33,528
Fuel	79,400	54,189	65,189
Graduation, awards, prizes	45,200	33,126	37,537
Honorariums	348,000	347,277	292,847
Insurance	101,297	771,453	171,800
Interest and bank charges	22,771	43,305	84,590
Janitorial supplies	13,100	13,510	14,263
Leases	6,000	25,506	14,450
Living allowance	420,000	536,716	593,997
Long term debt - interest	56,100	144,295	134,418
Long term debt - mortgage interest	-	44,505	70,508
Meals on wheels	-	943	-
National Child Benefit	7,000	128,702	186,787
Other expenses	15,500	83,601	59,618
Per capita distribution (repaid)	-	-	(57,000)
Pow wow expenses	-	136,070	144,814
Prenatal clinic	3,200	-	68
Prevention youth	-	-	452
Professional fees	82,000	842,184	281,559
Program expenses	139,286	202,437	133,141
Public relations	11,000	16,150	13,407
Recreational activities	171,150	366,821	306,048
Rent	8,000	8,800	8,000

Carry the Kettle First Nation
Notes to Consolidated Financial Statements
March 31, 2017

34. Expenses by object, continued

	2017 Budget	2017 Actual	2016 Actual
Repairs and maintenance	214,229	1,262,704	1,130,823
Security	5,000	2,358	2,804
Student allowance	14,200	9,371	10,812
Supplies	230,733	420,087	281,303
TCPL program	-	121,800	331,626
Telephone	73,072	71,902	76,033
Training	148,444	171,755	170,426
Travel - medical transportation	13,000	21,984	11,146
Travel, meetings, per diems	242,363	419,530	272,157
Tuition	308,000	346,832	272,822
Utilities	116,400	125,253	84,527
Wages and benefits	3,893,040	4,033,726	3,804,753
Workshops	300	893	304
Youth activities	5,000	6,456	12,200
Transfer to capital assets	-	(118,934)	(483,208)
	\$ 7,441,285	\$ 16,019,897	\$ 13,952,348

35. 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.

36. Segmented information

As previously discussed in note 2 (k) 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.

36. Segmented information, continued

Land Management:

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

Social Development:

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

Indian Registration:

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

Governance and Institutions of Government:

Costs associated with Governance and Institution of Government activities.

2) Health Programs (FNIHB)

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

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

3) Canada Mortgage and Housing Corporation (CMHC)

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

4) Band programs

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

Schedule #1
Carry the Kettle First Nation
Claims and Indian Government
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Other revenue	\$ -	\$ 1,243,927	\$ -
Expenses			
Insurance	-	541,378	-
Interest and bank charges	-	10,634	-
Long term debt - principle and interest payments	-	56,433	-
Professional fees	-	635,482	-
	-	1,243,927	-
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #2
Carry the Kettle First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed	\$ 639,896	\$ 654,583	\$ 633,240
INAC - set	6,527	27,881	-
INAC - flexible	379,349	1,934,949	379,349
CMHC	-	304,410	550
FHQ Tribal Council	-	7,186	6,251
Other revenue	55,748	20,490	20,211
Insurance proceeds	-	33,948	67,048
Unexpended funds transferred - prior year	-	6,361	137,736
Deferred revenue - current year	-	(1,271,055)	-
	1,081,520	1,718,753	1,244,385
Expenses			
Administration	-	275	47,762
Consultants and contractors	125,976	429,384	432,512
Equipment leases	-	-	2,108
Equipment purchases	4,500	11,530	49,136
Fuel	40,000	24,136	35,991
Insurance	74,497	126,842	98,432
Interest and bank charges	-	5,272	2,059
Janitorial supplies	6,600	5,112	1,864
Long term debt - principle and interest payments	-	92,871	903,928
Long term debt - principle repayment	-	(82,463)	(852,671)
Other expenses	12,500	13,461	23,077
Rent	-	800	-
Repairs and maintenance	133,027	962,935	614,274
Supplies	30,000	48,944	54,457
Telephone	4,400	4,787	5,592
Training	12,000	360	1,890
Travel, meetings, per diems	19,550	39,226	28,615
Utilities	80,000	78,917	51,581
Wages and benefits	328,946	350,477	347,618
Transfer to capital assets	-	(14,036)	(390,512)
	871,996	2,098,830	1,457,713
Current deficit before unexpended transfers	209,524	(380,077)	(213,328)
Unexpended transfers			
Unexpended funds transferred to deferred revenue	-	-	(6,361)
Current deficit before transfers	209,524	(380,077)	(219,689)

The accompanying notes are an integral part of the financial statements

Schedule #2, continued
Carry the Kettle First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Transfers			
Transfer - Other Programs	-	382,778	323,372
Transfer - Amortization	-	(789,635)	(784,873)
Current deficit	\$ 209,524	\$ (786,934)	\$ (681,190)

The accompanying notes are an integral part of the financial statements

Schedule #3
Carry the Kettle First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
FHQ Tribal Council	\$ -	\$ 98,415	\$ 98,415
Expenses			
Administration	-	-	11,786
Assistance to band members	-	48,394	103,185
Travel, meetings, per diems	-	-	150
	-	48,394	115,121
Current surplus (deficit)	\$ -	\$ 50,021	\$ (16,706)

The accompanying notes are an integral part of the financial statements

Schedule #4
Carry the Kettle First Nation
Education
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed	\$ 2,478,131	\$ 3,236,118	\$ 2,337,085
INAC - set	388,888	42,746	421,122
FHQ Tribal Council	-	15,379	24,693
Other revenue	-	-	28,580
Unexpended funds transferred - prior year	-	81,224	-
	2,867,019	3,375,467	2,811,480
Expenses			
Administration	15,468	25,725	6,800
Advertising, promotions, sponsorships	2,500	-	-
Consultants and contractors	130,105	207,703	159,074
Cultural programs	-	-	2,696
Donations and sponsorships	-	-	2,500
Equipment leases	500	10,699	4,458
Equipment purchases	-	64,622	-
Fuel	15,000	8,730	11,927
Graduation, awards, prizes	45,200	27,577	37,537
Insurance	4,500	5,119	3,596
Living allowance	420,000	397,784	405,643
Long term debt - principle and interest payments	56,100	50,818	56,100
Long term debt - principle repayment	-	(44,415)	(45,803)
Recreational activities	24,000	56,801	34,385
Repairs and maintenance	10,000	11,358	5,108
Student allowance	14,200	9,371	10,812
Supplies	114,613	252,663	118,233
Telephone	5,200	4,780	9,477
Training	10,000	54,037	8,396
Travel, meetings, per diems	48,917	23,958	31,955
Tuition	308,000	346,832	272,822
Wages and benefits	1,806,932	1,758,148	1,688,666
Transfer to capital assets	-	(31,312)	-
	3,031,235	3,240,998	2,824,382
Current surplus (deficit) before unexpended transfers	(164,216)	134,469	(12,902)
Unexpended transfers			
Unexpended funds transferred to deferred revenue	-	(115,571)	(81,224)
Current surplus (deficit) before transfers	(164,216)	18,898	(94,126)
Transfers			
Transfer - Other Programs	-	169,176	398,356
Transfer - Amortization	-	(88,212)	(77,775)
Current surplus	\$ (164,216)	\$ 99,862	\$ 226,455

The accompanying notes are an integral part of the financial statements

Schedule #5
Carry the Kettle First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - grant	\$ 469,799	\$ 505,132	\$ 469,799
INAC - fixed	28,315	35,334	31,461
INAC - set	72,794	103,917	91,522
INAC - current year receivable (payable)	-	9,300	23,035
Other revenue	-	14,219	21,869
	570,908	667,902	637,686
Expenses			
Advertising, promotions, sponsorships	1,000	603	596
Bad debts	-	-	69,695
Committee expenses	-	26,206	-
Consultants and contractors	32,000	78,886	78,246
Equipment leases	20,000	22,163	23,017
Equipment purchases	12,000	4,222	12,140
Honorariums	348,000	347,277	292,847
Insurance	1,300	6,151	1,281
Interest and bank charges	15,000	12,629	40,191
Professional fees	65,000	91,904	167,975
Public relations	-	1,630	1,000
Repairs and maintenance	1,000	615	285
Supplies	23,890	51,916	37,240
Telephone	35,000	39,005	36,031
Training	28,600	32,698	13,351
Travel, meetings, per diems	105,000	226,572	116,303
Wages and benefits	456,653	586,159	446,331
Transfer to capital assets	-	-	(12,140)
	1,144,443	1,528,636	1,324,389
Current deficit before transfers	(573,535)	(860,734)	(686,703)
Transfers			
Transfer - Other Programs	-	570,324	395,493
Transfers	-	90,000	33,656
Transfer - Amortization	-	(4,047)	(3,035)
Current deficit	\$ (573,535)	\$ (204,457)	\$ (260,589)

The accompanying notes are an integral part of the financial statements

Schedule #6
Carry the Kettle First Nation
Land Management
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed	\$ 220,547	\$ 220,547	\$ 235,366
INAC - set	-	108,700	-
Other revenue	9,340	29,000	100,300
Unexpended funds transferred - prior year	-	55,816	-
Deferred revenue - current year	-	(105,120)	(100,000)
Deferred revenue - previous year	-	100,000	-
	229,887	408,943	235,666
Expenses			
Administration	2,500	33,082	397
Consultants and contractors	7,500	38,800	3,750
Equipment purchases	19,000	16,952	11,806
Other expenses	-	45,600	-
Supplies	6,000	3,380	2,107
Telephone	5,000	2,615	3,329
Training	4,000	1,386	3,670
Travel, meetings, per diems	17,000	48,218	11,737
Wages and benefits	175,501	174,974	143,054
Transfer to capital assets	-	(16,159)	(11,231)
	236,501	348,848	168,619
Current surplus before unexpended transfers	(6,614)	60,095	67,047
Unexpended transfers			
Unexpended funds transferred to deferred revenue	-	(43,935)	(55,816)
Current surplus before transfers	(6,614)	16,160	11,231
Transfers			
Transfer - Other Programs	-	-	34,109
Transfer - Amortization	-	(10,821)	(5,610)
Current surplus	\$ (6,614)	\$ 5,339	\$ 39,730

The accompanying notes are an integral part of the financial statements

Schedule #7
Carry the Kettle First Nation
Social Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed	\$ 91,911	\$ 91,911	\$ 84,971
INAC - set	1,344,781	1,681,221	1,451,370
INAC - current year receivable (payable)	-	33,333	72,681
FHQ Tribal Council	-	-	25,208
	1,436,692	1,806,465	1,634,230
Expenses			
Administration	6,584	7,034	4,808
Assistance - social development	84,928	1,565,783	1,245,422
Consultants and contractors	5,000	49,890	16,776
Equipment purchases	-	-	700
Interest and bank charges	2,100	2,202	1,957
Meals on wheels	-	943	-
National Child Benefit	7,000	128,702	186,787
Supplies	12,500	11,106	15,180
Telephone	5,872	5,525	5,128
Training	-	500	4,500
Travel, meetings, per diems	10,000	4,917	11,708
Utilities	-	-	360
Wages and benefits	138,054	171,796	184,539
	272,038	1,948,398	1,677,865
Current deficit before transfers	1,164,654	(141,933)	(43,635)
Transfers			
Transfer - Other Programs	-	31,318	64,014
Current surplus (deficit)	\$ 1,164,654	\$ (110,615)	\$ 20,379

The accompanying notes are an integral part of the financial statements

Schedule #8
Carry the Kettle First Nation
Indian Registration
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed	\$ 20,855	\$ 20,855	\$ 20,338
Expenses			
Supplies	800	1,803	507
Telephone	1,200	1,200	1,200
Travel, meetings, per diems	6,550	8,009	6,549
Wages and benefits	32,842	36,506	31,579
Workshops	300	893	304
	41,692	48,411	40,139
Current deficit before transfers	(20,837)	(27,556)	(19,801)
Transfers			
Transfer - Other Programs	-	27,556	19,801
Current surplus	\$ (20,837)	\$ -	\$ -

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Health Canada	\$ 1,286,768	\$ 1,298,228	\$ 1,296,292
FHQ Tribal Council	118,052	119,614	121,416
Other revenue	50,000	95,418	105,777
Administration fees - internal allocation	117,223	124,543	136,432
	1,572,043	1,637,803	1,659,917
Expenses			
Administration	114,239	121,559	131,624
Advertising, promotions, sponsorships	1,200	155	305
Assistance - social development	-	1,802	3,433
Assistance to band members	9,500	4,997	6,719
Bad debts	-	2,384	4,300
Consultants and contractors	11,000	15,910	29,275
Cultural programs	2,000	-	1,289
Donations and sponsorships	5,500	2,202	5,625
Emergency planning	1,000	-	-
Equipment leases	8,000	6,094	24,258
Equipment purchases	1,000	46,305	46,580
Evaluation process	1,500	2,000	33,528
Fuel	24,400	21,323	17,271
Insurance	21,000	27,623	22,818
Interest and bank charges	5,671	8,103	3,428
Janitorial supplies	6,500	8,398	12,399
Leases	6,000	25,506	14,450
Long term debt - interest	-	5,028	4,064
Other expenses	3,000	19,653	35,915
Prenatal clinic	3,200	-	68
Prevention youth	-	-	452
Professional fees	17,000	14,980	12,300
Program expenses	139,286	155,321	133,141
Public relations	11,000	14,520	12,407
Rent	8,000	8,000	8,000
Repairs and maintenance	33,202	64,214	72,245
Security	5,000	2,358	2,804
Supplies	42,500	49,616	41,646
Telephone	15,200	12,125	14,076
Training	93,844	82,774	82,513
Travel - medical transportation	13,000	21,984	11,146
Travel, meetings, per diems	31,200	50,160	53,739

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Utilities	36,400	46,337	32,586
Wages and benefits	867,701	851,646	852,166
Youth activities	5,000	6,456	12,200
Transfer to capital assets	-	(51,226)	(69,325)
	1,543,043	1,648,307	1,669,445
Current deficit before transfers	29,000	(10,504)	(9,528)
Transfers			
Transfer - Amortization	-	(110,114)	(97,280)
Current deficit	\$ 29,000	\$ (120,618)	\$ (106,808)

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
CMHC	\$ -	\$ 357,553	\$ 331,970
Rental income - CMHC housing	-	174,306	162,025
	-	531,859	493,995
Expenses			
Administration	-	47,910	41,280
Insurance	-	64,340	45,673
Long term debt - mortgage interest	-	44,505	70,508
Professional fees	-	16,960	14,960
Repairs and maintenance	-	177,073	221,887
	-	350,788	394,308
Current surplus before transfers	-	181,071	99,687
Transfers			
Transfer - CMHC	-	-	110,161
Transfer - Amortization	-	(406,456)	(406,456)
Current deficit	\$ -	\$ (225,385)	\$ (196,608)

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
FHQ Tribal Council	\$ -	\$ 131,406	\$ -
First Nations Trust	-	904,266	954,756
Earned and held in trust by federal government	-	1,942,387	1,363,993
Keseechiwan Holdings LP	-	60,000	60,000
Taxation revenue	-	736,429	707,747
Painted Hand Community Development Corp.	-	119,829	158,751
Saskatchewan Lotteries	-	8,489	-
Other revenue	45,338	531,954	864,082
Equity increase (decrease) in related entities	-	47,216	(47,920)
Realized gain on wind up of CTK Plastics LP	-	-	930,438
Administration fees - internal allocation	-	87,362	96,314
Deferred revenue - previous year	-	-	40,875
	45,338	4,569,338	5,129,036
Expenses			
Administration	-	8,139	1,840
Assistance to band members	-	598,744	575,656
Community expenses	-	54,488	8,540
Consultants and contractors	24,000	136,705	40,797
Contribution to Nakoda Developments LP	-	-	400,000
Cultural programs	-	62,120	12,106
Donations and sponsorships	-	126,555	63,377
Emergency propane tanks	-	2,695	-
Enbridge expenses	-	-	110,117
Enhanced student support	-	23,633	212,281
Equipment purchases	-	8,956	-
Graduation, awards, prizes	-	5,548	-
Interest and bank charges	-	4,466	36,956
Living allowance	-	138,932	188,355
Long term debt - interest	-	66,022	68,798
Other expenses	-	4,886	627
Per capita distribution (repaid)	-	-	(57,000)
Pow wow expenses	-	136,070	144,814
Professional fees	-	82,859	86,324
Program expenses	-	47,117	-
Recreational activities	147,150	310,020	271,662
Repairs and maintenance	37,000	46,509	217,025
Supplies	430	657	11,931
TCPL program	-	121,800	331,626
Telephone	1,200	1,865	1,200

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Training	-	-	56,105
Travel, meetings, per diems	4,146	18,470	11,401
Wages and benefits	86,411	104,019	110,798
Transfer to capital assets	-	(6,201)	-
	300,337	2,105,074	2,905,336
Current surplus before transfers	(254,999)	2,464,264	2,223,700
Transfers			
Transfer - Community Development	-	(382,778)	(323,372)
Transfer - Education	-	(169,176)	(398,356)
Transfer - Indian Government Support	-	(570,324)	(395,493)
Transfer - Land Management	-	-	(34,109)
Transfer - Social Development	-	(31,318)	(64,014)
Transfer - Indian Registration	-	(27,556)	(19,801)
Transfer - CMHC	-	-	(110,161)
Transfer - Governance and Institutions of Government	-	(90,000)	(33,656)
Current surplus	\$ (254,999)	\$ 1,193,112	\$ 844,738

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, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community Buildings	-	106,302	23,367
Roads	-	72,161	72,161
Sanitation	-	240	240
School Maintenance	-	472,962	471,950
Infrastructure Assets	-	132,570	215,505
Band support - Administration	-	4,047	3,035
Land Management	-	10,821	5,610
Health Transfer	-	110,114	97,280
CMHC Operations	-	406,456	406,456
Student transportation	-	77,775	77,775
Water	-	1,650	1,650
Renovations	-	3,750	-
Special Education	-	6,094	-
Instructional Services	-	4,343	-
	-	1,409,285	1,375,029
Current deficit before transfers	-	(1,409,285)	(1,375,029)
Transfers			
Transfer - Programs	-	1,409,285	1,375,029
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements