

**Little Black Bear First Nation  
Consolidated Financial Statements  
March 31, 2017**



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**Consolidated Financial Statements**  
*March 31, 2017*

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**Little Black Bear 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.

The Chief and Council review and approve the financial statements for issuance to Band members. The 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 auditors' 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  
\_\_\_\_\_  
Little Black Bear First Nation

August 28, 2017  
\_\_\_\_\_  
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  
**Little Black Bear First Nation**

We have audited the accompanying consolidated financial statements of Little Black Bear 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 debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Little Black Bear First Nation as at March 31, 2017, and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Regina, Saskatchewan**  
**August 28, 2017**

*Chalupiak & Associates*  
**Chartered Professional Accountants**



**Little Black Bear First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2017*

	2017	2016
<b>Financial Assets</b>		
Restricted cash - CMHC reserves (Note 3)	\$ 5,272	\$ 353
Restricted cash - capital projects (Note 3)	13,199	2,209
Trust funds held by federal government (Notes 3 and 4)	7,084	6,877
Accounts receivable (Notes 5 and 6)	207,025	160,744
Due from related parties (Note 7)	685,989	806,812
Portfolio investment (Note 8)	60,000	60,000
Investment in government business enterprises (Notes 9 and 10)	123,422	591,026
	<u>1,101,991</u>	<u>1,628,021</u>
<b>Liabilities</b>		
Bank indebtedness (Notes 3 and 11)	304,981	371,731
Accounts payable (Note 12)	824,411	847,116
Deferred revenue - unexpended funds (Note 13)	20,675	-
Deferred revenue (Note 14)	249,918	30,126
Due to related parties (Note 15)	65,000	-
Current portion of long-term debt (Note 16)	355,911	366,333
Current portion CMHC mortgages (Note 17)	45,831	78,882
Long-term debt (Note 16)	1,075,391	1,132,088
CMHC mortgages (Note 17)	174,721	194,253
	<u>3,116,839</u>	<u>3,020,529</u>
<b>Net debt</b>	<u>(2,014,848)</u>	<u>(1,392,508)</u>
<b>Non-financial Assets</b>		
Capital assets (Note 18)	4,047,357	4,168,618
Prepaid expenses (Note 19)	-	800
	<u>4,047,357</u>	<u>4,169,418</u>
<b>Accumulated Surplus</b> (Note 20)	<u>\$ 2,032,509</u>	<u>\$ 2,776,910</u>

Approved on behalf of the Little Black Bear First Nation:

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\_\_\_\_\_  
\_\_\_\_\_

The accompanying notes are an integral part of the financial statements



# Little Black Bear First Nation

## Consolidated Statement of Operations

*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - grant contribution	\$ 211,546	\$ 228,660	\$ 211,546
INAC - fixed contribution	696,488	714,831	703,684
INAC - set contribution	437,963	443,952	457,152
INAC - flexible contribution	309,630	389,630	109,630
INAC - current year receivable (payable)	-	25,010	(6,764)
Trust funds held by federal government	110,000	55,207	65,070
Health Canada	8,311	9,322	9,172
File Hills Health	174,660	178,981	174,672
CMHC	63,145	45,857	59,879
FHQ Tribal Council	137,117	138,299	149,075
First Nations Trust	205,000	196,881	209,852
Community Development Corporation	-	32,951	41,085
Land leases (flowed through Wakayos Holdings Inc.)	-	154,857	146,879
Gains (losses) in related business entities	-	(467,604)	(307,001)
Wakayos Development LP - drawings	130,000	578,500	19,999
Keseechiwan Holdings LP dividend	60,000	60,000	60,000
CMHC - rental income	87,168	50,981	33,361
LBB Gas Bar & Convenience LP - drawings	-	-	363,000
Other revenue	315,276	76,470	82,294
Administration fees - internal allocation	108,756	114,313	104,368
Deferred revenue - prior year	9,750	30,126	107,404
Deferred revenue - current year	-	(249,918)	(30,126)
	3,064,810	2,807,306	2,764,231
<b>Expenses</b>			
Community Development (Schedule 1)	493,900	448,371	391,472
Economic Development (Schedule 2)	56,989	160,942	277,597
Education (Schedule 3)	431,135	487,508	400,857
Indian Government Support (Schedule 4)	495,996	768,535	698,409
Lands Management (Schedule 5)	131,751	79,753	139,113
Social Development (Schedule 6)	421,328	475,961	395,522
Indian Registration (Schedule 7)	5,000	16,134	10,608
Community Health (Schedule 8)	269,599	279,695	280,528
CMHC (Schedule 9)	150,313	76,541	71,842
Other Programs (Schedule 10)	274,800	569,657	365,972
Amortization (Schedule 11)	18,999	167,935	172,814
	2,749,810	3,531,032	3,204,734
<b>Current deficit before other items</b>	315,000	(723,726)	(440,502)

The accompanying notes are an integral part of the financial statements



**Little Black Bear First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<hr/>			
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	-	(20,676)	-
<hr/>			
<b>Current deficit</b>	<b>\$ 315,000</b>	<b>\$ (744,402)</b>	<b>\$ (440,502)</b>
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The accompanying notes are an integral part of the financial statements



**Little Black Bear First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2017*

	2017	2016
<b>Surplus at beginning of year</b>	\$ 2,776,911	\$ 3,217,413
<b>Current deficit</b>	(744,402)	(440,502)
<b>Surplus at end of year</b>	\$ 2,032,509	\$ 2,776,911

The accompanying notes are an integral part of the financial statements



**Little Black Bear First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Current deficit</b>	\$ 315,000	\$ (744,402)	\$ (440,502)
Acquisition of tangible capital assets	-	(46,673)	(174,765)
Amortization of tangible capital assets	-	167,935	172,814
	-	121,262	(1,951)
Acquisition of prepaid asset	-	-	(800)
Use of prepaid asset	800	800	-
	800	800	(800)
Increase (decrease) in net financial assets	315,800	(622,340)	(443,253)
Net debt at beginning of year	(1,392,508)	(1,392,508)	(949,255)
<b>Net debt at end of year</b>	<b>\$ (1,076,708)</b>	<b>\$ (2,014,848)</b>	<b>\$ (1,392,508)</b>

The accompanying notes are an integral part of the financial statements



**Little Black Bear First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2017*

	2017	2016
<b>Cash flows from</b>		
<b>Operating activities</b>		
Current deficit	\$ (744,402)	\$ (440,502)
Items not affecting cash		
Amortization	167,935	172,814
	(576,467)	(267,688)
Change in non-cash operating working capital		
Accounts receivable	(46,281)	(30,767)
Prepaid expenses	800	(800)
Accounts payable	(22,704)	(108,090)
Deferred revenue	219,792	(77,278)
Deferred revenue - unexpended funds	20,675	-
Due from related parties	120,823	(46,288)
	(283,362)	(530,911)
<b>Capital activities</b>		
Purchase of capital assets	(46,674)	(174,764)
<b>Financing activities</b>		
Due to related parties	65,000	-
CMHC mortgages	(52,582)	(68,680)
Repayment of long term debt	(67,120)	(1,508,841)
Proceeds from long term debt	-	1,580,739
	(54,702)	3,218
<b>Investing activities</b>		
Restricted funds (CMHC reserves)	(4,919)	(301)
Restricted funds - trust funds held by federal government	(207)	(5,071)
Investments in related entities	(110,896)	(75,999)
Withdrawals from business partnerships	578,500	383,000
	462,478	301,629
<b>Increase (decrease) in cash and cash equivalents</b>	77,740	(400,828)
<b>Cash and cash equivalents, beginning of year</b>	(369,522)	31,306
<b>Cash and cash equivalents, end of year</b>	\$ (291,782)	\$ (369,522)
<b>Represented by</b>		
Bank indebtedness	\$ (304,981)	\$ (371,731)
Restricted cash - capital projects	13,199	2,209
	\$ (291,782)	\$ (369,522)

The accompanying notes are an integral part of the financial statements



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**1. General**

Little Black Bear First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include Little Black Bear 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**

Little Black Bear First Nation reporting entity includes the Little Black Bear First Nation government and all related entities that are controlled by the First Nation.

**(b) Principles of consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Little Black Bear First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Little Black Bear First Nation.

Organizations accounted for on a modified equity basis include:

Wakayos Holdings Ltd.  
Wakayos Holdings LP  
LBB Orchards LBB and LBB Orchards Ltd.  
LBB Gas Bar & Convenience LP and LBB Gas & Convenience Ltd.  
LBB Coffee Franchise LP and LBB Coffee Franchise 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.



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

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

**(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.

**(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 Little Black Bear 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
Automotive equipment	4 years Straight line
Machinery & equipment	15 years Straight line
Roads	40 years Straight line
Office equipment	4 years Straight line
Band houses	25 years Straight line
CMHC houses	25 years Straight line
Infrastructure	15 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Little Black Bear 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.



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

**(g) Tangible capital assets, continued**

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.

**(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 revenue 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 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**

Comparative figures have been reclassified, where applicable, to conform to current presentation.



**Little Black Bear 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, Little Black Bear 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		
General operations	\$ (342,078)	\$ (380,417)
CMHC operating	15,571	426
Social development	21,526	8,260
	<u>(304,981)</u>	<u>(371,731)</u>
Restricted cash (CMHC reserves)		
PHT - CMHC Replacement Reserve	4,919	-
CIBC - CMHC reserve bank account	353	353
	<u>5,272</u>	<u>353</u>
Restricted cash - capital projects		
Capital projects	13,199	2,209
Restricted cash - trust funds held by federal government		
Revenue account	6,854	6,647
Capital account	230	230
	<u>7,084</u>	<u>6,877</u>
	<u>\$ (279,426)</u>	<u>\$ (362,292)</u>



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**4. Trust funds held by federal government**

	2017 Revenue	2017 Capital	2017 Total	2016 Total
Surplus, beginning of year	\$ 6,647	\$ 230	\$ 6,877	\$ 1,806
Withdrawals	(55,000)	-	(55,000)	(60,000)
Interest earnings	257	-	257	1,754
Lease revenue	54,950	-	54,950	63,317
Surplus, end of year	\$ 6,854	\$ 230	\$ 7,084	\$ 6,877

**5. Accounts receivable**

	2017	2016
<b>Due from members</b>		
Advances/Rent Receivable	\$ 258,587	\$ 236,534
<b>Due from others</b>		
FHQ Tribal Council	29,324	24,092
Other	26,332	18,467
	55,656	42,559
<b>Due from government and other government organizations</b>		
INAC	40,395	15,817
Health Canada	-	4,666
CMHC	135,560	96,128
	175,955	116,611
Allowance for doubtful accounts	490,198 (283,173)	395,704 (234,960)
<b>Total accounts receivable</b>	<b>\$ 207,025</b>	<b>\$ 160,744</b>



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**6. Accounts receivable - INAC**

	2017	2016
Band Employee Benefits	\$ 668	\$ -
Basic Needs	27,727	4,179
Specific Claims	-	6,638
CORP PAYE	-	5,000
Fisheries & Ocean	6,000	-
Transport Canada	6,000	-
	<u>\$ 40,395</u>	<u>\$ 15,817</u>

**7. Due from related parties**

	2017	2016
Wakayos Developments LP	\$ 64,293	\$ 204,293
Wakayos Holdings Inc.	362,767	340,590
LBB Orchards LP	233,929	236,929
LBB Coffee Franchise LP	25,000	25,000
	<u>\$ 685,989</u>	<u>\$ 806,812</u>

**8. Portfolio investments**

	2017	2016
Keseechiwan Holdings LP	\$ 60,000	\$ 60,000



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**9. Investment 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.

	2017	2016
Wakayos Holdings Inc.	\$ (218,812)	\$ (119,564)
Wakayos Developments LP & Wakayos Developments Ltd.	892,355	977,639
LBB Orchards LP and LBB Orchards Ltd.	(153,386)	(119,607)
LBB Coffee Franchise LP and LBB Coffee Franchise Inc.	(368,891)	(240,594)
LBB Gas Bar & Convenience LP and LBB Gas & Convenience Ltd.	(27,844)	93,152
	<u>\$ 123,422</u>	<u>\$ 591,026</u>

	Investment, beginning of year	Contributions/ Purchases	Withdrawals	Undistributed earnings (loss)	Investment, end of year
Wakayos Holdings Inc.	\$ (119,564)	\$ -	\$ -	\$ (99,248)	\$ (218,812)
Wakayos Developments LP & Wakayos Developments Ltd.	977,639	280,000	-	(365,284)	892,355
LBB Orchards LP and LBB Orchards Ltd.	(119,607)	34,603	-	(68,382)	(153,386)
LBB Coffee Franchise LP and LBB Coffee Franchise Inc.	(240,594)	-	(25,000)	(103,297)	(368,891)
LBB Gas Bar & Convenience LP and LBB Gas & Convenience Ltd.	93,152	-	(553,500)	432,504	(27,844)
	<u>591,026</u>	<u>314,603</u>	<u>(578,500)</u>	<u>(203,707)</u>	<u>123,422</u>
	<u>\$ 591,026</u>	<u>\$ 314,603</u>	<u>\$ 314,603</u>	<u>\$ (203,707)</u>	<u>\$ 123,422</u>



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2017

**10. Investment in government business enterprises - summary**

	Wakayos Holdings Inc	Wakayos Developments LP and Ltd.	LBB Orchards LP and LBB Orchards Ltd.	LBB Coffee Franchise LP and Inc.	LBB Gas Bar & Convenience LP and LBB Gas & Convenience Ltd.
Cash	\$ 4,085	\$ 91,127	\$ -	\$ 21,969	\$ 5,787
Accounts receivable	5,450	1,097	-	1,514	91,899
Inventory	-	-	-	15,443	183,883
Prepaid expenses	15,041	8,975	-	-	-
Tangible capital assets	172,000	1,976,283	177,739	677,728	1,337,552
Due from related parties	142,836	2,406,125	-	20,879	65,000
Other assets	-	352	(507)	(343)	889
<b>Total assets</b>	<b>\$ 339,412</b>	<b>\$ 4,483,959</b>	<b>\$ 177,232</b>	<b>\$ 737,190</b>	<b>\$ 1,685,010</b>
Accounts payable	\$ 107,249	\$ 79,347	\$ 24,831	\$ 70,699	\$ 37,259
Deferred revenue	38,208	-	-	-	-
Long-term debt	-	3,324,821	-	311,973	-
Due to related parties	412,767	187,436	305,787	723,409	1,675,595
<b>Total liabilities</b>	<b>558,224</b>	<b>3,591,604</b>	<b>330,618</b>	<b>1,106,081</b>	<b>1,712,854</b>
<b>Equity</b>	<b>(218,812)</b>	<b>892,355</b>	<b>(153,386)</b>	<b>(368,891)</b>	<b>(27,844)</b>
<b>Total equity</b>	<b>(218,812)</b>	<b>892,355</b>	<b>(153,386)</b>	<b>(368,891)</b>	<b>(27,844)</b>
<b>Total liabilities and equity</b>	<b>\$ 339,412</b>	<b>\$ 4,483,959</b>	<b>\$ 177,232</b>	<b>\$ 737,190</b>	<b>\$ 1,685,010</b>
<b>Revenue</b>	<b>\$ 355,033</b>	<b>\$ 59,635</b>	<b>\$ 2,933</b>	<b>\$ 1,592,025</b>	<b>\$ 5,836,075</b>
Cost of sales	-	-	-	648,538	4,693,100
Expenses	454,281	425,636	70,875	1,046,543	710,927
<b>Total expenses</b>	<b>454,281</b>	<b>425,636</b>	<b>70,875</b>	<b>1,695,081</b>	<b>5,404,027</b>
<b>Net income</b>	<b>\$ (99,248)</b>	<b>\$ (366,001)</b>	<b>\$ (67,942)</b>	<b>\$ (103,056)</b>	<b>\$ 432,048</b>

**11. Bank indebtedness**

An overdraft limit has been authorized by the RBC to a maximum of \$150,000 and bears interest at bank's prime lending rate plus 2.25% per annum and is secured by a general security agreement.



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**12. Accounts payable**

	2017	2016
<b>Due to others</b>		
Trade payables & Accrued liability	\$ 686,082	\$ 606,333
Pension	19,172	-
Rent deductions	16,981	12,030
Accrued interest on long term debt	48,065	-
FHQ Tribal Council	20,000	20,000
	<u>790,300</u>	<u>638,363</u>
<b>Due to government and other government organizations</b>		
INAC - tuition Prairie Valley School Division	23,668	175,554
INAC	3,385	31,252
Canada Revenue Agency	7,058	1,946
	<u>34,111</u>	<u>208,752</u>
<b>Total accounts payable</b>	<u><u>\$ 824,411</u></u>	<u><u>\$ 847,116</u></u>

**13. Deferred revenue - unexpended funds**

	2017	2016
Land management	\$ 20,675	\$ -

**14. Deferred revenue**

	March 31, 2016	Funding received, 2017	Revenue recognized, 2017	March 31, 2017
<b>Federal government</b>				
Road repairs	\$ 11,826	\$ -	\$ -	\$ 11,826
Water treatment demineralization	18,300	-	-	18,300
New School Feasibility Study Project	-	80,000	-	80,000
Water Treatment Plant - FNWWAP	-	50,000	(38,848)	11,152
Housing Renos & Additions	-	150,000	(21,360)	128,640
	<u><u>\$ 30,126</u></u>	<u><u>\$ 280,000</u></u>	<u><u>\$ (60,208)</u></u>	<u><u>\$ 249,918</u></u>



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**15. Due to related parties**

	2017	2016
Due to LBB Gas Bar and Convenience LP	\$ 65,000	\$ -

**16. Long-term debt**

	2017	2016
RBC #7 Term loan - bearing interest at prime plus 1.25%, quarterly blended payments of \$16,000, due April 2020. Secured by general security agreement and assignments of funding.	\$ 712,717	\$ 754,958
RBC #6 Term loan - bearing interest at prime plus 1.25%, due April 21, 2016. Secured by general security agreement and assignments of funding.	216,000	216,000
SIEF - Bus loan Term loan bearing interest of 12.5%, monthly blended payments of \$1,906 due July 2018. Secured by a 2014 Bluebird bus.	27,585	46,009
RBC #9 - equity portion Tim Hortons and Petro Canada projects Term loan bearing interest at prime plus 2.75%, quarterly blended payments of \$25,000 due October 2017. Secured by general security agreement and assignments of funding.	475,000	481,454
	1,431,302	1,498,421
Current portion	355,911	366,333
	\$ 1,075,391	\$ 1,132,088

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

2018	\$ 355,911
2019	141,370
2020	134,605
2021	133,344
2022 and thereafter	666,072
	\$ 1,431,302

	2017	2016
Interest expense for the year on long-term debt	\$ 67,817	\$ 98,951



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**17. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Blended monthly payment	2017	2016
Peace Hills Trust	1	4/1/2018	3.47%	\$ 1,543	\$ 18,101	\$ 37,214
Peace Hills Trust	2	7/1/2017	5.24%	686	701	9,373
Bank of Nova Scotia	4	1/1/2017	3.29%	1,287	-	13,929
Bank of Nova Scotia	5	8/1/2017	4.39%	369	3,993	8,469
Bank of Nova Scotia	6	2/1/2017	4.55%	917	-	10,723
CMHC	7	3/1/2019	2.09%	650	23,862	23,372
CMHC	8	8/1/2020	1.08%	407	43,919	43,450
CMHC	9	5/1/2017	2.65%	1,179	129,976	126,605
					220,552	273,135
Less: current portion					45,831	78,882
Total					\$ 174,721	\$ 194,253

**18. Tangible capital assets**

	Cost	Additions	Accumulated amortization	2017 Net book value
Land	\$ 2,999,937	\$ -	\$ -	\$ 2,999,937
Buildings	223,218	-	223,218	-
Automotive equipment	125,780	-	98,435	27,345
Machinery & equipment	523,681	-	437,689	85,992
Roads	746,067	-	476,054	270,013
Office equipment	97,356	2,600	98,006	1,950
Band houses	1,435,764	44,074	1,265,240	214,598
CMHC houses	1,994,499	-	1,604,786	389,713
Infrastructure	334,174	-	276,365	57,809
	\$ 8,480,476	\$ 46,674	\$ 4,479,793	\$ 4,047,357



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**18. Tangible capital assets, continued**

	Cost	Additions	Accumulated amortization	2016 Net book value
Land	\$ 2,999,937	\$ -	\$ -	\$ 2,999,937
Buildings	223,218	-	223,218	-
Automotive equipment	99,280	26,500	57,090	68,690
Machinery & equipment	540,181	(16,500)	437,527	86,154
Roads	746,067	-	459,929	286,138
Office equipment	97,356	-	97,356	-
Band houses	1,271,000	164,764	1,256,438	179,326
CMHC houses	1,994,499	-	1,525,006	469,493
Infrastructure	334,174	-	255,294	78,880
	<u>\$ 8,305,712</u>	<u>\$ 174,764</u>	<u>\$ 4,311,858</u>	<u>\$ 4,168,618</u>

**19. Prepaid expenses**

	2017	2016
Student Allowances paid in advance	\$ -	\$ 800



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**20. Accumulated surplus**

	2017	2016
Restricted		
Capital assets	\$ 3,799,220	\$ 3,849,474
Equity (reserve for losses) in related entities	123,422	591,026
Portfolio Investments	60,000	60,000
Funds held in trust	7,084	6,877
CMHC housing reserves	226,128	215,706
Unrestricted		
Surplus (deficit)	(2,183,345)	(1,946,173)
	<u>\$ 2,032,509</u>	<u>\$ 2,776,910</u>

Capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services.

Investments in related entities represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Funds held in trust are monies held by the federal government for use by the First Nation for specific purposes.

Operating surplus (deficit) represents future revenue required for past operational activities.

**21. Current year summary of surplus (deficit) by segment**

	Revenue	Expenditures	Transfers	Surplus (deficit)
Community Development	\$ 365,267	\$ 448,371	\$ (62,660)	\$ (145,764)
Economic Development	251,847	160,942	(20,000)	70,905
Education	375,129	487,508	45,155	(67,224)
Indian Government Support	436,780	768,535	117,773	(213,982)
Lands Management	73,115	79,753	-	(6,638)
Social Development	449,128	475,961	6,777	(20,056)
Indian Registration	5,000	16,134	-	(11,134)
Community Health	274,932	279,695	-	(4,763)
CMHC	90,413	76,541	(79,780)	(65,908)
Other Programs	465,019	569,657	(175,200)	(279,838)
Amortization	-	167,935	167,935	-
	<u>\$ 2,786,630</u>	<u>\$ 3,531,032</u>	<u>\$ -</u>	<u>\$ (744,402)</u>



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**22. INAC reconciliation**

	2017	2016
Total per INAC confirmation	\$ 1,777,073	\$ 1,487,025
Prior period - payable (receivable):		
Band employee benefits	-	(5,013)
Current year - receivable (payable):		
Basic needs	27,727	4,179
Special needs	(3,385)	(8,578)
Band employee benefits	668	(2,365)
<b>Current year - receivable (payable):</b>	<b>\$ 1,802,083</b>	<b>\$ 1,475,248</b>

**23. Government Transfers**

	2017		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 1,412,453	\$ 389,630	\$ 1,802,083
Health Canada	9,322	-	9,322
Canada Mortgage and Housing Corporation	45,857	-	45,857
<b>Total</b>	<b>1,467,632</b>	<b>389,630</b>	<b>1,857,262</b>
<b>Provincial government transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 1,467,632</b>	<b>\$ 389,630</b>	<b>\$ 1,857,262</b>

  

	2016		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Indigenous and Northern Affairs Canada	\$ 1,365,618	\$ 109,630	\$ 1,475,248
Health Canada	9,172	-	9,172
Canada Mortgage and Housing Corporation	59,879	-	59,879
<b>Total</b>	<b>1,434,669</b>	<b>109,630</b>	<b>1,544,299</b>
<b>Provincial government transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 1,434,669</b>	<b>\$ 109,630</b>	<b>\$ 1,544,299</b>



**24. CMHC housing restricted funds**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. On March 31, 2017 the reserves were underfunded by \$225,775 (2016 - \$215,353).

**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**

Little Black Bear 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**

Little Black Bear First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.5% of their salary. Little Black Bear First Nation contributes a matching portion which is directed to the member's contribution account. Little Black Bear First Nation recorded an expense during the year of \$16,031 (2016 - \$16,759) for retirement benefits.

**26. Fair value**

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

**27. Interest rate risk**

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long-term debt that has a fixed interest rate.

**28. Budgeted figures**

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



# **Little Black Bear First Nation**

## **Notes to Consolidated Financial Statements**

*March 31, 2017*

### **29. Contingent liabilities**

Little Black Bear 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, Little Black Bear 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 Little Black Bear First Nation's financial statements.

Little Black Bear First Nation has guaranteed various loans of Wakayos Developments LP, LBB Coffee Franchise LP and LBB Gas Bar & Convenience LP. The total amount of the loans outstanding is \$3,324,821 (2016 - \$2,979,116).

### **30. Economic dependence**

Little Black Bear First Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada.



**Little Black Bear First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2017*

**31. Expenses by object**

	2017 Budget	2017 Actual	2016 Actual
Administration	\$ 119,537	\$ 114,613	\$ 120,110
Advertising, promotions, sponsorships	5,000	-	-
Amortization	18,999	167,935	172,814
Assistance - social development	301,536	363,615	284,551
Assistance to band members	198,136	162,979	214,861
Bad debts	420	48,213	53,804
Consultants and contractors	655,308	744,761	950,420
Cultural programs	42,751	36,429	51,573
Donation	5,000	950	1,000
Equipment purchases	9,160	5,807	15,514
Fuel	24,800	33,964	16,702
Graduation, awards, prizes	8,000	6,125	8,480
Honorariums	78,600	188,575	92,415
Insurance	31,038	44,373	42,840
Interest and bank charges	6,620	67,892	64,410
Long term debt - payments (principle & interest)	27,446	128,483	114,726
Long term debt - principle repayment	-	(60,666)	(15,775)
Long term debt - mortgage interest	100,312	8,215	11,733
Investment in Wakayos Development LP	-	205,000	-
Janitorial services	3,400	1,480	4,055
NCBR Expenses	28,354	28,312	29,381
Rent - equipment	-	206	-
Professional fees	24,880	44,068	46,684
Registration fees	12,700	15,952	12,998
Repairs and maintenance	121,605	132,305	82,836
Student allowance	104,000	107,151	96,351
Supplies	49,258	88,588	70,625
Telephone	17,400	29,664	27,246
Travel, meetings, per diems	149,666	244,795	255,564
Tuition	111,717	136,585	73,274
Utilities	19,295	32,421	31,043
Wages and benefits	474,872	448,916	429,263
Wakayos Holdings Inc - FHETC - flow through	-	-	20,000
Transfer to capital assets	-	(46,674)	(174,764)
	<b>\$ 2,749,810</b>	<b>\$ 3,531,032</b>	<b>\$ 3,204,734</b>



### **32. 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.



### **33. 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.



**33. 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**  
**Little Black Bear First Nation**  
**Community Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed contribution	\$ 173,126	\$ 175,889	\$ 175,889
INAC - set contribution	4,000	11,907	3,858
INAC - flexible contribution	309,630	389,630	109,630
CMHC	-	6,425	13,392
FHQ Tribal Council	-	1,208	1,208
Other revenue	-	-	600
Deferred revenue - prior year	9,750	30,126	107,404
Deferred revenue - current year	-	(249,918)	(30,126)
	496,506	365,267	381,855
<b>Expenses</b>			
Administration	9,952	9,952	9,952
Consultants and contractors	273,795	229,359	337,123
Fuel	16,800	20,312	7,693
Insurance	16,620	17,288	16,853
Rent - equipment	-	206	-
Repairs and maintenance	81,213	68,291	38,545
Supplies	3,076	23,197	16,327
Travel, meetings, per diems	10,800	22,121	20,637
Utilities	18,095	32,208	30,724
Wages and benefits	63,549	69,511	78,382
Transfer to capital assets	-	(44,074)	(164,764)
	493,900	448,371	391,472
<b>Current deficit before transfers</b>	2,606	(83,104)	(9,617)
<b>Transfers</b>			
Transfer - Indian Government Support	14,793	-	-
Transfer - Amortization	(17,399)	(62,660)	(68,189)
<b>Current deficit</b>	\$ -	\$ (145,764)	\$ (77,806)

The accompanying notes are an integral part of the financial statements



**Schedule #2**  
**Little Black Bear First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - set contribution	\$ -	\$ 12,000	\$ 20,000
FHQ Tribal Council	34,989	34,990	34,990
Land leases (flowed through Wakayos Holdings Inc.)	-	154,857	146,879
Other revenue	42,000	50,000	-
	<b>76,989</b>	<b>251,847</b>	<b>201,869</b>
<b>Expenses</b>			
Consultants and contractors	19,200	45,093	155,312
Long term debt - payments (principle & interest)	22,446	105,611	91,854
Long term debt - principle repayment	-	(42,241)	-
Professional fees	2,000	413	(23,501)
Professional fees - Tim Horton's project	-	-	(9,561)
Repairs and maintenance - equipment	-	420	541
Supplies	-	1,853	705
Travel, meetings, per diems	1,292	49,593	30,702
Wages and benefits	12,051	200	11,545
Wakayos Holdings Inc - FHETC - flow through	-	-	20,000
	<b>56,989</b>	<b>160,942</b>	<b>277,597</b>
<b>Current surplus (deficit) before transfers</b>	<b>20,000</b>	<b>90,905</b>	<b>(75,728)</b>
<b>Transfers</b>			
Transfer - Indian Government Support	(20,000)	(20,000)	(20,000)
Transfer - Other Programs	-	-	95,500
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 70,905</b>	<b>\$ (228)</b>

The accompanying notes are an integral part of the financial statements



**Schedule #3**  
**Little Black Bear First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed contribution	\$ 357,235	\$ 369,657	\$ 351,049
FHQ Tribal Council	5,500	5,472	5,472
	<b>362,735</b>	<b>375,129</b>	<b>356,521</b>
<b>Expenses</b>			
Administration	61,758	61,758	61,758
Consultants and contractors	57,050	55,088	80,833
Fuel	8,000	13,652	9,009
Graduation, awards, prizes	8,000	6,125	8,480
Insurance	3,700	2,854	3,968
Long term debt - payments (principle & interest)	-	22,872	22,872
Long term debt - principle repayment	-	(18,425)	(15,775)
Registration fees	4,500	1,012	1,064
Repairs and maintenance	17,256	21,556	15,105
Student allowance	104,000	107,151	96,351
Supplies	24,694	19,948	19,010
Travel, meetings, per diems	21,600	24,974	19,178
Tuition	111,717	136,585	73,274
Vehicle/equipment purchases	3,360	-	10,000
Wages and benefits	5,500	32,358	5,730
Transfer to capital assets	-	-	(10,000)
	<b>431,135</b>	<b>487,508</b>	<b>400,857</b>
<b>Current deficit before transfers</b>	<b>(68,400)</b>	<b>(112,379)</b>	<b>(44,336)</b>
<b>Transfers</b>			
Transfers - Other Programs	70,000	70,000	70,000
Transfer - Amortization	(1,600)	(24,845)	(24,845)
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (67,224)</b>	<b>\$ 819</b>

The accompanying notes are an integral part of the financial statements



**Schedule #4**  
**Little Black Bear First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - grant contribution	\$ 211,546	\$ 228,660	\$ 211,546
INAC - fixed contribution	63,156	65,473	73,473
INAC - set contribution	6,855	10,280	18,645
INAC - current year receivable (payable)	-	668	(2,365)
Other revenue	133,276	17,386	64,982
Administration fees - internal allocation	108,756	114,313	104,368
	<b>523,589</b>	<b>436,780</b>	<b>470,649</b>
<b>Expenses</b>			
Administration	356	356	-
Advertising, promotions, sponsorships	5,000	-	-
Assistance - general	22,136	-	1,650
Bad debts	-	48,213	53,804
Consultants and contractors	135,000	128,732	125,978
Donation	5,000	950	1,000
Equipment purchases	5,800	5,807	5,514
Honorariums	78,600	188,575	92,415
Interest and bank charges	6,000	63,422	63,848
Professional fees	20,000	43,655	74,136
Registration fees	3,000	-	900
Repairs and maintenance	5,296	975	(100)
Supplies	5,000	24,006	13,847
Telephone	15,000	15,014	10,646
Travel, meetings, per diems	38,888	53,622	81,463
Wages and benefits	150,920	197,808	173,308
Transfer to capital assets	-	(2,600)	-
	<b>495,996</b>	<b>768,535</b>	<b>698,409</b>
<b>Current deficit before transfers</b>	<b>27,593</b>	<b>(331,755)</b>	<b>(227,760)</b>
<b>Transfers</b>			
Transfer - Community Development	(14,793)	-	-
Transfer - Other Programs	50,200	105,200	126,700
Transfer - Economic Development	20,000	20,000	20,000
Transfer - Social Development	(18,000)	(6,777)	-
Transfer - Amortization	-	(650)	-
<b>Current deficit</b>	<b>\$ 65,000</b>	<b>\$ (213,982)</b>	<b>\$ (81,060)</b>

The accompanying notes are an integral part of the financial statements



**Schedule #5**  
**Little Black Bear First Nation**  
**Lands Management**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed contribution	\$ 65,289	\$ 65,591	\$ 65,591
INAC - set contribution	66,462	28,200	73,100
	131,751	93,791	138,691
<b>Expenses</b>			
Administration	6,966	1,742	6,966
Consultants and contractors	66,462	68,930	100,527
Insurance	-	535	-
Repairs and maintenance - other	-	250	1,364
Telephone	2,400	-	-
Travel, meetings, per diems	11,723	8,296	13,456
Wages and benefits	44,200	-	16,800
	131,751	79,753	139,113
<b>Current surplus (deficit) before other items</b>	-	14,038	(422)
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	-	(20,676)	-
<b>Current deficit</b>	\$ -	\$ (6,638)	\$ (422)

The accompanying notes are an integral part of the financial statements



**Schedule #6**  
**Little Black Bear First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed contribution	\$ 32,682	\$ 33,221	\$ 32,682
INAC - set contribution	360,646	381,565	341,549
INAC - current year receivable (payable)	-	24,342	(4,399)
FHQ Tribal Council	10,000	10,000	10,000
	403,328	449,128	379,832
<b>Expenses</b>			
Administration	10,945	10,945	11,036
Assistance - social development	301,536	363,615	284,551
Consultants and contractors	9,600	9,830	9,405
Cultural programs	11,000	11,000	10,490
Interest and bank charges	120	1,432	12
NCBR Expenses	28,354	28,312	29,381
Registration fees	200	-	-
Repairs and maintenance	6,740	5,400	4,900
Supplies	1,912	286	2,700
Travel, meetings, per diems	5,463	4,531	5,357
Wages and benefits	45,458	40,610	37,690
	421,328	475,961	395,522
<b>Current deficit before transfers</b>	(18,000)	(26,833)	(15,690)
<b>Transfers</b>			
Transfer - Indian Government Support	18,000	6,777	-
<b>Current deficit</b>	\$ -	\$ (20,056)	\$ (15,690)

The accompanying notes are an integral part of the financial statements



**Schedule #7**  
**Little Black Bear First Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
INAC - fixed contribution	\$ 5,000	\$ 5,000	\$ 5,000
<b>Expenses</b>			
Administration	800	800	400
Consultants and contractors	4,000	13,748	7,889
Supplies	200	149	770
Travel, meetings, per diems	-	1,437	1,549
	5,000	16,134	10,608
<b>Current deficit</b>	\$ -	\$ (11,134)	\$ (5,608)

The accompanying notes are an integral part of the financial statements



**Schedule #8**  
**Little Black Bear First Nation**  
**Community Health**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Health Canada	\$ 8,311	\$ 9,322	\$ 9,172
File Hills Health	174,660	178,981	174,672
FHQ Tribal Council	86,628	86,629	97,405
	<b>269,599</b>	<b>274,932</b>	<b>281,249</b>
<b>Expenses</b>			
Administration	19,580	19,580	19,580
Consultants and contractors	44,998	83,103	64,288
Cultural programs	31,751	25,429	41,083
Janitorial services	3,400	1,480	4,055
Repairs and maintenance	-	3,000	-
Supplies	11,376	16,389	10,416
Travel, meetings, per diems	24,900	22,221	34,978
Utilities	1,200	213	319
Wages and benefits	132,394	108,280	105,809
	<b>269,599</b>	<b>279,695</b>	<b>280,528</b>
<b>Current surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (4,763)</b>	<b>\$ 721</b>

The accompanying notes are an integral part of the financial statements



**Schedule #9**  
**Little Black Bear First Nation**  
**CMHC**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
CMHC	\$ 63,145	\$ 39,432	\$ 46,487
CMHC - rental income	87,168	50,981	33,361
	150,313	90,413	79,848
<b>Expenses</b>			
Administration	9,180	9,180	9,180
Bad debts	420	-	-
Consultants and contractors	15,203	-	100
Insurance	10,718	23,695	22,019
Interest and bank charges	500	3,038	550
Long term debt - mortgage interest	100,312	8,215	11,733
Professional fees	2,880	-	5,610
Repairs and maintenance	11,100	32,413	22,080
Travel, meetings, per diems	-	-	570
	150,313	76,541	71,842
<b>Current surplus before transfers</b>	-	13,872	8,006
<b>Transfers</b>			
Transfer - Amortization	-	(79,780)	(79,780)
<b>Current deficit</b>	\$ -	\$ (65,908)	\$ (71,774)

The accompanying notes are an integral part of the financial statements



**Schedule #10**  
**Little Black Bear First Nation**  
**Other Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Trust funds held by federal government	\$ 110,000	\$ 55,207	\$ 65,070
First Nations Trust	205,000	196,881	209,852
Community Development Corporation	-	32,951	41,085
Gains (losses) in related business entities	-	(467,604)	(307,001)
Wakayos Development LP - drawings	130,000	578,500	19,999
Keseechiwan Holdings LP dividend	60,000	60,000	60,000
LBB Gas Bar & Convenience LP - drawings	-	-	363,000
Other revenue	140,000	9,084	16,712
	645,000	465,019	468,717
<b>Expenses</b>			
Administration	-	300	1,238
Assistance to band members	176,000	162,979	213,211
Consultants and contractors	30,000	110,878	68,965
Investment in Wakayos Development LP	-	205,000	-
Long term debt - payments (principle & interest)	5,000	-	-
Registration fees	5,000	14,940	11,034
Repairs and maintenance	-	-	400
Supplies	3,000	2,760	6,850
Telephone	-	14,650	16,600
Travel, meetings, per diems	35,000	58,000	47,674
Wages and benefits	20,800	150	-
	274,800	569,657	365,972
<b>Current surplus (deficit) before transfers</b>	370,200	(104,638)	102,745
<b>Transfers</b>			
Transfer - Indian Government Support	(50,200)	(105,200)	(126,700)
Transfer - Education	(70,000)	(70,000)	(70,000)
Transfer - Economic Development	-	-	(95,500)
<b>Current deficit</b>	\$ 250,000	\$ (279,838)	\$ (189,455)

The accompanying notes are an integral part of the financial statements



**Schedule #11**  
**Little Black Bear First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2017*

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Community Buildings	1,200	37,733	41,546
Roads and Bridges	16,199	16,125	16,125
Renovations	-	8,802	10,518
Education	1,600	24,845	24,845
Indian Government Support	-	650	-
CMHC Housing Operations	-	79,780	79,780
	18,999	167,935	172,814
<b>Current deficit before transfers</b>	(18,999)	(167,935)	(172,814)
<b>Transfers</b>			
Transfer - Programs	18,999	167,935	172,814
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements