

**Nekaneet First Nation  
Consolidated Financial Statements  
March 31, 2015**

**Nekaneet First Nation**  
**Consolidated Financial Statements**  
*March 31, 2015*

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**Nekaneet First Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2015*

The accompanying consolidated financial statements are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative accounting 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 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.

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Signature on file

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September 1, 2015

Nekaneet First Nation

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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  
**Nekaneet First Nation**

We have audited the accompanying consolidated financial statements of Nekaneet First Nation, which comprise the consolidated statement of financial position as at March 31, 2015, 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 Nekaneet First Nation as at March 31, 2015, and the results of its operations, accumulated surplus, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Nekaneet First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2015*

	2015	2014
<b>Financial Assets</b>		
Restricted cash - capital projects (Note 3)	\$ 63,812	\$ 201,275
Restricted cash - CMHC reserves (Note 3)	82,152	113,744
Restricted cash - other (Note 3)	121	47
Trust funds held by federal government (Note 3 and 4)	652,614	509,422
Accounts receivable (Notes 5 and 6)	465,815	545,881
Due from New Horizon First Nations Administration (Note 7)	178,146	23,746
Portfolio investment (Note 8)	60,000	60,000
	<hr/> 1,502,660	<hr/> 1,454,115
<b>Liabilities</b>		
Bank indebtedness (Note 3 and 9)	265,241	25,384
Accounts payable (Note 10 and 11)	372,798	385,302
Reserve for losses in related business entity (Note 12)	1,225,537	1,031,927
Deferred revenue - unexpended funds (Note 13)	156,883	191,744
Deferred revenue (Note 14)	66,822	171,271
Current portion of long-term debt (Note 15)	605,062	279,876
Current portion of CMHC mortgages (Note 16)	68,857	74,067
Long-term debt (Note 15)	561,309	410,760
CMHC mortgages (Note 16)	618,216	689,993
	<hr/> 3,940,725	<hr/> 3,260,324
<b>Net debt</b>	<b>(2,438,065)</b>	<b>(1,806,209)</b>
<b>Non-financial Assets</b>		
Capital assets (Note 17)	6,622,901	6,797,565
<b>Accumulated Surplus</b> (Note 18)	<b>\$ 4,184,836</b>	<b>\$ 4,991,356</b>

**Approved on behalf of the Nekaneet First Nation:**

Signature on file \_\_\_\_\_, Nekaneet First Nation  
 Signature on file \_\_\_\_\_, Nekaneet First Nation

The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - grant	\$ 206,538	\$ 206,538	\$ 206,538
AANDC - fixed	584,914	490,700	565,126
AANDC - set	310,528	323,717	448,228
AANDC - flexible	-	97,281	227,600
AANDC - current year receivable (payable)	-	(431)	(74)
AANDC - prior year receivable (payable)	-	(17,830)	-
Health Canada	206,809	217,199	204,773
Health Canada - prior period revenue (recovery)	-	(13,061)	(3,503)
Health Canada - current year receivable (payable)	-	(6,000)	-
CMHC - subsidy	-	70,468	75,020
CMHC - RRAP	-	-	8,722
Funds held in trust by Federal Government	-	143,193	354,802
FHQ Tribal Council	176,997	181,836	207,487
First Nation GST	380,500	375,305	413,191
First Nations Trust	-	173,075	178,706
Specific Claims Settlement Trust	-	334,142	341,988
Keseechiwan Holdings - monetary benefit agreement	145,000	143,638	376,975
Community Development Corporation	16,789	28,637	-
CMHC rental income	-	45,078	74,517
Contribution - New Horizon Administration Inc. (Note 7)	-	-	972,309
Interest revenue	-	1,556	2,545
Other revenue	100,134	138,058	162,306
Administration fees (Note 2.k)	20,979	38,756	34,998
Unexpended funds transferred - prior year	-	200,333	123,151
Deferred revenue - prior	-	171,271	500,519
Deferred revenue - current	-	(66,822)	(171,271)
	2,149,188	3,276,637	5,304,653
<b>Expenses</b>			
Community Development (Schedule 1)	245,408	222,476	233,082
Economic Development (Schedule 2)	29,000	65,714	28,756
Education (Schedule 3)	278,880	382,613	257,514
Indian Government Support (Schedule 4)	850,500	1,015,291	850,300
Social Development (Schedule 5)	457,170	435,419	456,907
Indian Registration (Schedule 6)	7,650	5,751	7,547
Governance and Institutions of Government (Schedule 7)	-	-	20,000
Health Services (Schedule 8)	226,023	238,423	236,293
CMHC Operations (Schedule 9)	-	21,855	25,687
Band Programs (Schedule 10)	272,033	1,110,237	2,237,571
Amortization (Schedule 11)	-	428,488	382,833
	2,366,664	3,926,267	4,736,490
<b>Current surplus (deficit) before unexpended funds</b>	<b>(217,476)</b>	<b>(649,630)</b>	<b>568,160</b>

The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2015*

	2015 Actual	2014 Actual
<b>Unexpended funds</b>		
Unexpended funds transferred to deferred revenue	- (156,883)	(191,744)
<b>Current surplus (deficit)</b>	<b>\$ (217,476)</b>	<b>\$ (806,513)</b>
	<b>\$ 376,416</b>	

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The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2015*

	2015	2014
<b>Surplus at beginning of year</b>	\$ 4,991,353	\$ 4,614,937
<b>Current surplus (deficit)</b>	<b>(806,513)</b>	<b>376,416</b>
<b>Surplus at end of year</b>	<b>\$ 4,184,840</b>	<b>\$ 4,991,353</b>

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The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Current surplus (deficit)</b>	\$ (217,476)	\$ (806,513)	\$ 376,416
Acquisition of tangible capital assets	-	(253,831)	(1,934,818)
Amortization of tangible capital assets	-	428,488	<u>382,833</u>
	-	174,657	(1,551,985)
Acquisition of prepaid assets	-	-	-
Use of prepaid assets	-	-	<u>10,955</u>
Decrease in net financial assets	(217,476)	(631,856)	(1,164,614)
<b>Net debt at beginning of year</b>	-	(1,806,209)	(641,595)
<b>Net debt at end of year</b>	\$ -	\$ (2,438,065)	\$ (1,806,209)

The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2015*

	2015	2014
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ (806,513)	\$ 376,416
Items not affecting cash		
Amortization	428,488	382,833
	<hr/>	<hr/>
	(378,025)	759,249
Change in non-cash operating working capital		
Accounts receivable	80,066	216,157
Prepaid expenses	-	10,955
Accounts payable	(12,508)	107,274
Deferred revenue - unexpended funds	(34,861)	68,593
Deferred revenue	(104,449)	(329,248)
Current portion of CMHC mortgages	(5,210)	(7,927)
Funds held in trust by federal government	(143,192)	(339,934)
	<hr/>	<hr/>
	(598,179)	485,119
<b>Capital activities</b>		
Capital asset purchases	(253,824)	(1,934,819)
<b>Financing activities</b>		
Due from New Horizon First Nations Administration	(154,400)	83,327
CMHC mortgages	(76,987)	(74,516)
Long term debt - proceeds	787,976	432,800
Long term debt - repaid	(307,034)	(189,676)
	<hr/>	<hr/>
	249,555	251,935
<b>Investing activities</b>		
Loss (gain) on investments	193,610	1,095,715
Restricted cash - CMHC reserves	31,592	(31,287)
Restricted cash - capital projects	137,463	329,321
Restricted cash - other	(74)	14,996
	<hr/>	<hr/>
	362,591	1,408,745
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(239,857)</b>	<b>210,980</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>(25,384)</b>	<b>(236,364)</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ (265,241)</b>	<b>\$ (25,384)</b>

The accompanying notes are an integral part of the financial statements

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**1. General**

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

Nekaneet First Nation reporting entity includes the Nekaneet 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 Nekaneet 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 Nekaneet First Nation.

Organizations accounted for on a modified equity basis include:  
New Horizon First Nations Administration Inc.

**(c) Asset classification**

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

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

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

**(e) Cash and cash equivalents**

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

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

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

**(f) Tangible capital assets**

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

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

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

Buildings	25 years Straight line
Equipment	5 years Straight line
Infrastructure	40 years Straight line
Vehicles	4 years Straight line

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

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

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

**(g) 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.

**(h) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2015.

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.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

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

**(i) 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.

**(j) 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.

**(k) 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."

**(l) Revenue recognition**

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

**(m) Expense recognition**

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

**(n) Comparative figures**

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

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**3. Cash and cash equivalents**

(I) The CMHC agreements require that funds to cover future repairs to CMHC houses be maintained in a separate bank account. Under the terms of the agreement with Canada Mortgage and Housing Corporation, Nekaneet 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.

(II) Monies are held in a lawyer's trust account; monies are dispersed from this trust account as directed by Chief and Council for specific purposes, for example land purchases or the payment of property taxes.

(III) Capital projects are managed by a project manager. The bank accounts are maintained by the project manager for use specifically for these projects.

	2015	2014
<b>Cash</b>		
Bank indebtedness	\$ (265,241)	\$ (25,384)
	<hr/>	<hr/>
<b>Restricted cash - capital projects</b>		
Lagoon project	63,812	155,465
Water - Backup Well and Mudslide Mitigation	-	37,796
School project	-	8,014
	<hr/>	<hr/>
	63,812	201,275
	<hr/>	<hr/>
<b>Restricted cash - CMHC reserves</b>		
Replacement reserve	2,152	1,808
Term deposits	80,000	111,936
	<hr/>	<hr/>
	82,152	113,744
	<hr/>	<hr/>
<b>Restricted cash - other</b>		
Lawyer's trust - Olive, Waller, Zinkhan & Waller	121	47
	<hr/>	<hr/>
<b>Funds held in trust by federal government</b>		
Capital	38,564	38,564
Revenue	614,050	470,858
	<hr/>	<hr/>
	652,614	509,422
	<hr/>	<hr/>
	<b>\$ 533,458</b>	<b>\$ 799,104</b>
	<hr/>	<hr/>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**4. Restricted cash - Trust funds held by federal government**

	2015 Revenue	2015 Capital	2015 Total	2014 Total
Surplus, beginning of year	\$ 470,858	\$ 38,564	\$ 509,422	\$ 169,488
Lease revenue	129,858	-	129,858	332,684
Interest earnings	13,334	-	13,334	7,250
<b>Surplus, end of year</b>	<b>\$ 614,050</b>	<b>\$ 38,564</b>	<b>\$ 652,614</b>	<b>\$ 509,422</b>

Nekaneet First Nation derives income from leasing operations of a building located on a parcel of land that is in reserve status. The net income of these operations is to be paid to the trust funds held by the federal government. The amounts owing are not included in the amounts reported in the table above. The cumulative amount of \$268,308 (2014 - \$268,308) has been recorded as receivable and will be reflected in the balances in the trust funds held by federal government when they are received.

**5. Accounts receivable**

	2015	2014
<b>Due from members</b>		
Advances	\$ 49,452	\$ 31,548
<b>Due from others</b>		
Nekaneet Treaty Benefits Claims Trust	-	127,692
File Hills Qu'Appelle Tribal Council	25,676	25,769
New Horizon First Nation Administration - funds held in trust	268,308	268,308
BMO	7,848	-
	<b>301,832</b>	<b>421,769</b>
<b>Due from government and other government organizations</b>		
AANDC	842	6,820
Health Canada	-	8,240
CMHC	70,814	6,253
CRA - GST	11,600	8,700
First Nation GST	31,275	62,551
	<b>114,531</b>	<b>92,564</b>
	<b>\$ 465,815</b>	<b>\$ 545,881</b>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**6. AANDC - accounts receivable**

	2015	2014
Basic needs	\$ 646	\$ 1,595
BEB	196	5,225
	<hr/> \$ 842	<hr/> \$ 6,820

**7. Due from New Horizon First Nations Administration Inc.**

New Horizon First Nation Administration Inc. financed the purchase of land with associated debt totaling \$1,000,000 during the prior year. It is the intention of the company and Nekaneet First Nation to convert the land to reserve status at which time the asset and associated benefits will be transferred to the First Nation. The long-term debt payable to Peace Hills Trust is secured by the land and guaranteed by the First Nation. As such, revenue of \$972,309 was reported as a contribution from New Horizon First Nation Administration Inc. and the asset was included in the consolidated statement of financial position in the March 31, 2014 year.

**8. Portfolio investments**

	2015	2014
Keseechiwan Holdings LP (8.3% interest)	<hr/> \$ 60,000	<hr/> \$ 60,000

**9. Bank indebtedness**

The First Nation has a line of credit of \$50,000 bearing interest at prime plus 2%, secured with a Band Council Resolution. The First Nation also has an authorized overdraft for \$240,000 bearing interest at 24%.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**10. Accounts payable**

	2015	2014
<b>Due to others</b>		
Trade payables	\$ 347,099	\$ 371,146
Group pension	2,785	3,135
	<hr/> 349,884	<hr/> 374,281
<b>Due to government and other government organizations</b>		
AANDC	1,273	6,894
Health Canada	18,203	-
CRA payroll deductions	3,438	4,127
	<hr/> 22,914	<hr/> 11,021
	<hr/> <hr/> \$ 372,798	<hr/> <hr/> \$ 385,302

**11. AANDC payable**

	2015	2014
Special Needs	<hr/> \$ 1,273	<hr/> \$ 6,894

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**12. Reserve for losses in related business entity**

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.

- ◆ New Horizon First Nation Administration Inc.

	2015	2014
<u>New Horizon First Nation Administration Inc.</u>	<u>\$ (1,225,537)</u>	<u>\$ (1,031,927)</u>
	December 31, 2014 Total	December 31, 2013 Total
Cash	\$ 4,503	\$ 8,181
Accounts receivable	16,939	23,015
Prepaid expenses	9,047	10,397
Due from related party	-	10,254
<u>Fixed assets</u>	<u>230,012</u>	<u>240,009</u>
<u>Total assets</u>	<u>\$ 260,501</u>	<u>\$ 291,856</u>
Accounts payable	\$ 77,386	\$ 56,139
Tenant deposits	14,344	12,594
Due to Ottawa Trust Fund	268,308	268,308
Due to related party	178,146	-
<u>Long-term debt</u>	<u>947,854</u>	<u>986,742</u>
<u>Total liabilities</u>	<u>1,486,038</u>	<u>1,323,783</u>
Contributed surplus	260,596	260,596
<u>Deficit</u>	<u>(1,486,133)</u>	<u>(1,292,523)</u>
<u>Total equity</u>	<u>(1,225,537)</u>	<u>(1,031,927)</u>
<u>Total liabilities and equity</u>	<u>\$ 260,501</u>	<u>\$ 291,856</u>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**12. Reserve for losses in related business entity, continued**

	2015 Total	2014 Total
Revenue	\$ 199,299	\$ 519,093
Expenses	392,909	642,499
Payment to Nekaneet First Nation	-	972,309
Total expenses	392,909	1,614,808
Net income	\$ (193,610)	\$ (1,095,715)

**13. Deferred revenue - unexpended funds**

AANDC 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 AANDC, deferred to the following year, or transferred to another AANDC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2015	2014
Ancillary Support	\$ -	\$ 802
Comprehensive Education Support	-	11,096
Student Transportation	86,114	49,611
Instructional Services	21,024	103,673
Post Secondary	-	26,562
Band Based Capital	49,745	-
	<hr/> \$ 156,883	<hr/> \$ 191,744

**14. Deferred revenue**

	March 31, 2014	Funding received, 2015	Revenue recognized, 2015	March 31, 2015
<b>Federal government</b>				
Mudslide Mitigation	\$ 37,047	\$ -	\$ (37,047)	\$ -
Water - Backup Well	2,903	-	(2,903)	-
Water Treatment Plant	131,321	39,950	(104,449)	66,822
	<hr/> \$ 171,271	<hr/> \$ 39,950	<hr/> \$ (144,399)	<hr/> \$ 66,822

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**15. Long-term debt**

	2015	2014
Peace Hills Trust #11 - Lojek Legal Billing settlement Term loan payable in blended quarterly installments of \$10,000 bearing interest at 7.00%, secured by AANDC, First Nations Trust and GST, maturing April 1, 2014.	\$ -	\$ 9,685
Peace Hills Trust #12 - Land and Legal Billing Term loan payable in blended monthly installments of \$8,900 bearing interest at 5.00%, secured by AANDC and GST, maturing December 15, 2017.	276,091	367,048
Peace Hills Trust #13 - equipment and bus Term loan payable in blended quarterly installments of \$21,500 bearing interest at 7.00%, secured by AANDC, First Nations Trust, GST and chattel mortgage, maturing January 1, 2016.	-	141,935
Peace Hills Trust #14 - CMHC Reserve and Replacement Term loan payable in blended monthly installments of \$1,508 bearing interest at 5.00%, secured by cash, maturing February 1, 2018.	49,233	64,527
Peace Hills Trust #15 - Operating Term loan payable at maturity bearing interest at 5.00%, secured by cash, maturing April 4, 2014.	-	31,258
Peace Hills Trust #16 - Operating Term loan payable in blended monthly installments of \$8,750 bearing interest at 7.50%, secured by AANDC, First Nations Trust and GST, maturing December 1, 2014.	-	76,183
Peace Hills Trust #17 - Rewrite capital equipment loan #90688-13 and \$265,000 new money. Term loan payable in blended quarterly installments of \$23,650.00 bearing interest at 7.00%, secured by specific interest in gaming profits, AANDC and GST, maturing April 01, 2019.	348,916	-
Peace Hills Trust #18 - Term loan to rewrite payables loan #90688-16 plus new money. Payable in blended monthly installments of \$10,373.00 bearing interest of 7.50%, secured by interest in gaming profits, AANDC and GST, maturing September 30, 2016.	185,693	-
Peace Hills Trust #19 - Term loan for December 2014 community per capita distribution. Payable in two blended annual installments in the amount of \$157,785.39 bearing interest of 7.50%, secured by interest in gaming profits, AANDC and GST, maturing March 1, 2016.	306,438	-
<b>Current portion</b>	<b>1,166,371</b>	<b>690,636</b>
	605,062	279,876
	<b>\$ 561,309</b>	<b>\$ 410,760</b>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

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

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

2016	\$ 605,062		
2017	266,425		
2018	181,310		
2019	90,054		
<u>2020 and thereafter</u>	<u>23,520</u>		
	<u><u>\$ 1,166,371</u></u>		
		2015	2014
<u>Interest expense for the year on long-term debt</u>	<u><u>\$ 55,143</u></u>	<u><u>\$ 38,572</u></u>	

**16. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2015	2014
Industrial Alliance	2	01/02/2015	2.70%	\$ 707	\$ -	\$ 7,678
PHT	5	01/04/2015	5.85%	745	17,748	25,467
Scotia	6	01/06/2017	4.99%	394	9,423	13,915
Scotia	7	01/01/2016	3.99%	654	23,913	31,220
Scotia	8	01/12/2019	4.79%	676	33,887	40,609
Scotia	9	01/07/2019	4.79%	665	46,046	52,205
CMHC	10	01/06/2015	2.76%	1,203	125,451	135,992
CMHC	11	01/02/2018	1.69%	1,342	177,334	190,359
CMHC	12	01/10/2015	2.40%	1,627	253,271	266,616
					687,073	764,061
<u>Less current portion</u>					<u>68,858</u>	<u>74,068</u>
<u>Total</u>					<u>\$ 618,215</u>	<u>\$ 689,993</u>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**17. Tangible capital assets**

	Cost	Additions	Accumulated amortization	2015 Net book value
Land	\$ 1,377,971	\$ -	\$ -	\$ 1,377,971
Buildings	6,544,719	-	4,097,674	2,447,045
Automotive equipment	194,551	56,876	187,752	63,675
Furniture and equipment	404,981	92,500	352,697	144,784
Infrastructure	1,907,543	104,449	109,638	1,902,354
CMHC houses	2,379,378	-	1,692,306	687,072
<b>Total</b>	<b>\$ 12,809,143</b>	<b>\$ 253,825</b>	<b>\$ 6,440,067</b>	<b>\$ 6,622,901</b>

  

	Cost	Additions	Accumulated amortization	2014 Net book value
Land	\$ -	\$ 1,377,971	\$ -	\$ 1,377,971
Buildings	6,544,719	-	3,875,215	2,669,504
Automotive equipment	194,551	-	163,023	31,528
Furniture and equipment	404,981	-	298,805	106,176
Infrastructure	1,350,695	556,848	59,217	1,848,326
CMHC houses	2,379,378	-	1,615,318	764,060
<b>Total</b>	<b>\$ 10,874,324</b>	<b>\$ 1,934,819</b>	<b>\$ 6,011,578</b>	<b>\$ 6,797,565</b>

**18. Accumulated surplus**

	2015	2014
<b>Restricted</b>		
Invested in tangible capital assets	\$ 5,319,821	\$ 5,568,065
Funds held in trust by federal government	652,614	509,422
CMHC reserves	452,042	414,680
Equity in related entity	(1,225,537)	(1,031,927)
	5,198,940	5,460,240
<b>Unrestricted</b>		
Operating deficit	(1,014,104)	(468,884)
	\$ 4,184,836	\$ 4,991,356

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

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

	Revenue	Expenditures	Transfers	Surplus (deficit)
Community Development	322,529	222,477	(325,221)	(225,169)
Economic Development	33,369	65,714	-	(32,345)
Education	408,133	382,613	(10,510)	15,010
Indian Government Support	633,588	1,015,291	(15,769)	(397,472)
Social Development	348,346	435,420	-	(87,074)
Indian Registration	5,000	5,751	-	(751)
Governance and Institutions of Government	(15,000)	-	-	(15,000)
Health Services	218,680	238,423	-	(19,743)
CMHC Operations	117,094	21,855	(76,988)	18,251
Band Programs	1,048,013	1,110,236	-	(62,223)
Amortization	-	428,488	428,488	-
	<b>3,119,752</b>	<b>3,926,268</b>	<b>-</b>	<b>(806,516)</b>

**20. AANDC reconciliation**

	2015	2014
Total per AANDC confirmation	\$ 1,123,461	\$ 1,447,491
Receivable (payable) previous year		
Band Employee Benefits	(5,225)	-
Capacity Development	(15,000)	-
Summer work experience	(2,830)	-
Current year receivable (payable)		
Basic Needs	646	1,595
Band Employee Benefits	196	5,225
Special Needs	(1,273)	(6,894)
	<b>\$ 1,099,975</b>	<b>\$ 1,447,417</b>

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**21. Government Transfers**

	2015		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 1,002,694	\$ 97,281	\$ 1,099,975
Health Canada	204,138	-	204,138
Canada Mortgage and Housing Corporation	70,468	-	70,468
<b>Total</b>	<b>1,277,300</b>	<b>97,281</b>	<b>1,374,581</b>
<b>Provincial government transfers</b>			
	<b>\$ 1,277,300</b>	<b>\$ 97,281</b>	<b>\$ 1,374,581</b>
	2014		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 1,219,817	\$ 227,600	\$ 1,447,417
Health Canada	201,270	-	201,270
Canada Mortgage and Housing Corporation	83,742	-	83,742
<b>Total</b>	<b>1,504,829</b>	<b>227,600</b>	<b>1,732,429</b>
<b>Provincial government transfers</b>			
	<b>\$ 1,504,829</b>	<b>\$ 227,600</b>	<b>\$ 1,732,429</b>

**22. 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, 2015 the reserve accounts were under-funded by \$369,890 (2014 - \$300,936). The amount required to be set aside was \$452,042 (2014 - \$414,680) and the amount in the reserve bank account was \$82,152 (2014 - \$113,744). (The reserve amount of \$452,042 is not reported separately on these financial statements, but is included in equity).

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**23. Employee benefit obligations**

**Vacation and overtime**

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

**Post-employment benefits**

Nekaneet 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**

Nekaneet First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary and Nekaneet First Nation contributes a matching portion. Nekaneet First Nation does not have any other obligations with regards to the pension plan as at March 31, 2015.

**24. Contractual Obligations**

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

**25. Contingent liabilities**

Nekaneet 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, Nekaneet 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 Nekaneet First Nation's financial statements.

The First Nation is contingently liable for a loan of New Horizon First Nation Administration Inc. with Peace Hills Trust. As of December 31, 2014 there was an outstanding balance of \$947,854 (2013 - \$982,734).

**26. 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.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**27. Trusts under administration**

Nekaneet First Nation acts as a trustee for a number of third parties, holding assets and administering them on their behalf. These assets held in trust are not included on the statement of financial position as assets of Nekaneet First Nation. Amounts held in trust at the year-end are the following:

	2015	2014
Nekaneet Treaty Benefits Claims Trust	<u>\$ 10,260,079</u>	<u>\$ 9,729,756</u>
	<u><u>\$ 10,260,079</u></u>	<u><u>\$ 9,729,756</u></u>

**28. Economic dependence**

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

**29. Subsequent events**

There are no subsequent events to report.

**30. Budgeted figures**

Budgeted figures have been provided for comparison purposes and have been derived from estimates approved by Nekaneet First Nation.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

**31. AANDC funding**

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

There are five approaches that AANDC 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 AANDC 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 AANDC. A plan must be submitted and approved by AANDC 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 AANDC.
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 AANDC 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 AANDC.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

**32. Segmented information**

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

**Claims and Indian Government:**

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

**Community Development:**

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

**Economic Development:**

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

**Education:**

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

**Indian Government Support:**

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

**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.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

**32. Segmented information, continued**

**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.

**Nekaneet First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**33. Expenses by object**

	2015 Budget	2015 Actual	2014 Actual
Administration	\$ 34,998	\$ 38,536	\$ 34,998
Amortization	-	428,488	382,833
Assistance	414,900	480,300	439,118
Band capital expenditures	-	-	54,300
Consultants and contractors	184,314	203,455	710,015
Cultural programs	26,950	36,961	215,187
Donations	-	3,632	-
Elders	-	-	271
Equipment	-	144,376	-
First Nations Trust	-	201,384	208,056
Fuel	3,200	19,300	3,183
Governance	6,100	76,733	203,415
Graduation, awards, prizes	1,100	3,850	3,000
Honorariums	500	-	650
Insurance	17,900	28,038	17,893
Interest and bank charges	73,850	52,781	78,712
Janitorial	12,430	8,503	6,595
Long-term debt - interest	45,000	55,143	38,573
Long-term debt - CMHC mortgage interest	-	17,476	22,471
Loss (gain) on investments	-	193,610	1,095,715
NCBR - community based support	25,400	11,525	25,409
NCBR - home to work	7,400	1,890	7,406
Per capita distribution	100,000	319,836	136,471
Professional fees	98,050	91,533	131,224
Program expenses	21,350	16,952	69,880
Property taxes	-	35,513	12,311
Registration fees	450	3,761	697
Rent - equipment	15,100	10,742	15,072
Rent - office	6,000	6,000	6,000
Repairs and maintenance	45,089	169,309	136,393
Student allowance	118,000	156,949	110,585
Student transportation	-	4,570	-
Supplies	51,935	62,907	56,057
Telephone	24,400	24,316	24,350
Training	12,350	2,136	12,570
Travel - medical transportation	500	2,890	450
Travel, meetings, per diems	184,377	271,936	190,077
Tuition	59,800	89,413	59,784
Utilities	19,620	44,114	31,111
Wages and benefits	755,601	852,645	752,506
Transfer to capital assets	-	(253,825)	(556,848)
Unexpended funds - unrecorded in prior period	-	8,589	-
	<hr/>	<hr/>	<hr/>
	\$ 2,366,664	\$ 3,926,267	\$ 4,736,490

**Schedule #1**  
**Nekaneet First Nation**  
**Community Development**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 219,587	\$ 122,306	\$ 192,587
AANDC - set	-	-	27,000
AANDC - flexible	-	97,281	227,600
FHQ Tribal Council	23,220	29,080	1,180
Other revenue	-	12,000	16,800
Deferred revenue - prior	-	171,271	500,519
Deferred revenue - current	-	(66,822)	(171,271)
Unexpended funds transferred - prior year	-	7,158	-
	<b>242,807</b>	<b>372,274</b>	<b>794,415</b>
<b>Expenses</b>			
Administration	1,872	2,340	-
Band capital expenditures	-	-	54,300
Consultants and contractors	73,864	123,809	567,087
Equipment	-	78,500	-
Fuel	400	876	400
Insurance	17,400	24,989	17,380
Janitorial	1,830	503	1,795
Repairs and maintenance	33,219	33,151	31,252
Supplies	8,855	14,032	6,809
Telephone	4,400	1,799	4,401
Training	1,300	411	1,281
Travel, meetings, per diems	16,917	18,242	8,010
Utilities	14,320	36,390	25,924
Wages and benefits	71,031	70,384	71,292
Transfer to capital assets	-	(182,949)	(556,848)
	<b>245,408</b>	<b>222,477</b>	<b>233,083</b>
<b>Current surplus before unexpended funds</b>	<b>(2,601)</b>	<b>149,797</b>	<b>561,332</b>
<b>Unexpended funds</b>			
Unexpended funds transferred to deferred revenue	-	(49,745)	-
<b>Current surplus before transfers</b>	<b>(2,601)</b>	<b>100,052</b>	<b>561,332</b>
<b>Transfers</b>			
Transfer - Amortization	-	(325,221)	(289,879)
<b>Current surplus (deficit)</b>	<b>\$ (2,601)</b>	<b>\$ (225,169)</b>	<b>\$ 271,453</b>

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Nekaneet First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ 33,369	\$ 33,369	\$ 33,369
<b>Expenses</b>			
Property taxes	-	35,513	-
Consultants and contractors	29,000	18,000	28,756
Cultural programs	-	9,398	-
Travel, meetings, per diems	-	2,803	-
	29,000	65,714	28,756
<b>Current surplus (deficit)</b>	<b>\$ 4,369</b>	<b>\$ (32,345)</b>	<b>\$ 4,613</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Nekaneet First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 326,357	\$ 326,357	\$ 326,107
AANDC - prior year receivable (payable)	-	(2,830)	-
Unexpended funds transferred - prior year	-	191,744	123,151
	<b>326,357</b>	<b>515,271</b>	<b>449,258</b>
<b>Expenses</b>			
Administration	-	3,833	-
Assistance	1,500	-	1,480
Consultants and contractors	12,600	3,100	12,595
Equipment	-	28,350	-
Fuel	2,800	18,424	2,783
Insurance	500	248	513
Interest and bank charges	300	50	330
Program expenses	3,600	-	3,610
Registration fees	-	2,442	-
Repairs and maintenance	4,800	15,087	4,718
Student allowance	118,000	156,949	110,585
Student transportation	-	4,570	-
Supplies	6,580	15,698	6,601
Training	1,200	350	1,181
Travel, meetings, per diems	12,800	26,086	12,781
Tuition	59,800	89,413	59,784
Utilities	-	2,514	-
Wages and benefits	53,300	39,999	37,553
Graduation, awards, prizes	1,100	3,850	3,000
Transfer to capital assets	-	(28,350)	-
	<b>278,880</b>	<b>382,613</b>	<b>257,514</b>
<b>Current surplus before unexpended funds</b>	<b>47,477</b>	<b>132,658</b>	<b>191,744</b>
<b>Unexpended funds</b>			
Unexpended funds transferred to deferred revenue	-	(107,138)	(191,744)
<b>Current surplus before transfers</b>	<b>47,477</b>	<b>25,520</b>	<b>-</b>
<b>Transfers</b>			
Transfer - Amortization	-	(10,510)	(10,510)
<b>Current surplus (deficit)</b>	<b>\$ 47,477</b>	<b>\$ 15,010</b>	<b>\$ (10,510)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Nekaneet First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - grant	\$ 206,538	\$ 206,538	\$ 206,538
AANDC - fixed	1,288	4,355	1,431
AANDC - set	1,981	7,426	2,201
AANDC - current year receivable (payable)	-	196	5,225
First Nation GST	380,500	375,305	413,191
Other revenue	-	20,123	5,805
Administration fees	-	18,214	14,033
Unexpended funds transferred - prior year	-	1,431	-
	<b>590,307</b>	<b>633,588</b>	<b>648,424</b>
<b>Expenses</b>			
Assistance	103,400	184,918	103,389
Consultants and contractors	57,600	44,996	57,572
Governance	-	8,000	-
Insurance	-	760	-
Interest and bank charges	72,500	51,948	72,450
Professional fees	84,000	65,050	84,084
Registration fees	-	63	-
Rent - equipment	9,100	4,742	9,072
Repairs and maintenance	3,700	7,818	3,683
Supplies	5,400	5,943	5,392
Telephone	12,400	15,936	12,382
Travel, meetings, per diems	114,600	176,850	114,558
Wages and benefits	387,800	448,267	387,719
	<b>850,500</b>	<b>1,015,291</b>	<b>850,301</b>
<b>Current deficit before transfers</b>	<b>(260,193)</b>	<b>(381,703)</b>	<b>(201,877)</b>
<b>Transfers</b>			
Transfer - Amortization	-	(15,769)	-
<b>Current deficit</b>	<b>\$ (260,193)</b>	<b>\$ (397,472)</b>	<b>\$ (201,877)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Nekaneet First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 32,682	\$ 32,682	\$ 40,000
AANDC - set	308,547	316,291	404,027
AANDC - current year receivable (payable)	-	(627)	(5,299)
	<b>341,229</b>	<b>348,346</b>	<b>438,728</b>
<b>Expenses</b>			
Assistance	310,000	276,532	309,804
Consultants and contractors	2,800	-	2,775
Cultural programs	2,800	3,090	2,796
NCBR - community based support	25,400	11,525	25,409
NCBR - home to work	7,400	1,890	7,406
Professional fees	-	5,415	-
Program expenses	2,100	2,400	2,131
Registration fees	150	656	142
Supplies	4,700	4,610	4,688
Training	6,300	-	6,265
Travel, meetings, per diems	6,100	8,758	6,109
Wages and benefits	89,420	120,544	89,382
	<b>457,170</b>	<b>435,420</b>	<b>456,907</b>
<b>Current deficit</b>	<b>\$ (115,941)</b>	<b>\$ (87,074)</b>	<b>\$ (18,179)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Nekaneet First Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 5,000	\$ 5,000	\$ 5,000
<b>Expenses</b>			
Consultants and contractors	-	300	-
Interest and bank charges	50	-	45
Supplies	300	708	240
Travel, meetings, per diems	2,800	4,263	2,762
Wages and benefits	4,500	480	4,500
	7,650	5,751	7,547
<b>Current deficit</b>	<b>\$ (2,650)</b>	<b>\$ (751)</b>	<b>\$ (2,547)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Nekaneet First Nation**  
**Governance and Institutions of Government**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - set	\$ -	\$ -	\$ 15,000
AANDC - prior year receivable (payable)	- (15,000)	(15,000)	-
	<hr/>	<hr/>	<hr/>
	- (15,000)	15,000	
<b>Expenses</b>			
Consultants and contractors	- -	- -	11,000
Supplies - materials	- -	- -	3,200
Travel, meetings, per diems	- -	- -	5,800
	<hr/>	<hr/>	<hr/>
	- -	- -	20,000
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (15,000)</b>	<b>\$ (5,000)</b>
	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Nekaneet First Nation**  
**Health Services**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
Health Canada	\$ 206,809	\$ 198,138	\$ 201,270
Administration fees	20,979	20,542	20,965
	<b>227,788</b>	<b>218,680</b>	<b>222,235</b>
<b>Expenses</b>			
Administration	20,843	20,322	20,965
Consultants and contractors	8,450	13,250	14,230
Cultural programs	24,150	24,473	24,008
Honorariums	500	-	500
Insurance	-	511	-
Interest and bank charges	750	-	749
Janitorial	5,800	-	-
Professional fees	14,050	20,898	13,939
Program expenses	8,200	3,816	8,197
Registration fees	100	600	75
Repairs and maintenance	1,770	2,750	1,758
Supplies	17,200	19,326	17,138
Telephone	5,800	5,211	5,766
Training	3,550	1,375	3,543
Travel - medical transportation	500	2,890	450
Travel, meetings, per diems	27,760	27,217	27,453
Utilities	1,300	3,890	1,227
Wages and benefits	85,300	91,894	96,296
	<b>226,023</b>	<b>238,423</b>	<b>236,294</b>
<b>Current deficit</b>	<b>\$ 1,765</b>	<b>\$ (19,743)</b>	<b>\$ (14,059)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Nekaneet First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
CMHC	\$ -	\$ 115,546	\$ 158,259
Interest revenue	-	1,548	2,545
Other revenue	-	-	6,166
	-	<u>117,094</u>	<u>166,970</u>
<b>Expenses</b>			
Interest and bank charges	-	379	2,318
Long-term debt - CMHC mortgage interest	-	17,476	22,471
Repairs and maintenance	-	4,000	598
Training	-	-	300
	-	<u>21,855</u>	<u>25,687</u>
<b>Current surplus before transfers</b>	-	95,239	141,283
<b>Transfers</b>			
Transfer - Amortization	-	(76,988)	(82,444)
<b>Current surplus</b>	\$ -	\$ 18,251	\$ 58,839

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Nekaneet First Nation**  
**Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
FHQ Tribal Council	\$ 120,408	\$ 119,387	\$ 162,439
FHQ Tribal Council - prior year revenue (recovery)	-	-	10,500
First Nations Trust	-	173,075	178,706
Funds held in trust by Federal Government	-	143,193	354,802
Specific Claims Settlement Trust	-	334,142	341,988
Keseechiwan Holdings - monetary benefit agreement	145,000	143,638	376,975
Community Development Corporation	16,789	28,637	-
Other revenue	100,134	105,933	133,536
Contribution - New Horizon Administration Inc.	-	-	972,309
Interest revenue	-	8	-
	382,331	1,048,013	2,531,255
<b>Expenses</b>			
Administration	12,283	12,041	14,033
Assistance	-	18,850	24,446
Consultants and contractors	-	-	16,000
Cultural programs	-	-	188,383
Donations	-	3,632	-
Elders	-	-	271
Equipment	-	37,526	-
First Nations Trust	-	201,384	208,056
Governance	6,100	68,733	203,415
Honorariums	-	-	150
Insurance	-	1,530	-
Interest and bank charges	250	404	2,820
Janitorial	4,800	8,000	4,800
Long-term debt - interest	45,000	55,143	38,573
Loss (gain) on investments	-	193,610	1,095,715
Per capita distribution	100,000	319,836	136,471
Professional fees	-	170	33,201
Program expenses	7,450	10,736	55,942
Property taxes	-	-	12,311
Registration fees	200	-	480
Rent - equipment	6,000	6,000	6,000
Rent - office	6,000	6,000	6,000
Repairs and maintenance	1,600	106,503	94,382
Supplies	8,900	2,590	11,989
Telephone	1,800	1,371	1,800
Travel, meetings, per diems	3,400	7,717	12,603

The accompanying notes are an integral part of the financial statements

**Schedule #10, continued**  
**Nekaneet First Nation**  
**Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
Unexpended funds - unrecorded in prior period	-	8,589	-
Utilities	4,000	1,320	3,960
Wages and benefits	64,250	81,077	65,770
Transfer to capital assets	-	(42,526)	-
	272,033	1,110,236	2,237,571
<b>Current surplus (deficit)</b>	<b>\$ 110,298</b>	<b>\$ (62,223)</b>	<b>\$ 293,684</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Nekaneet First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
CMHC Operations	-	76,988	82,444
Education	-	10,510	10,510
Mudslide Mitigation	-	-	21,034
Public Works	-	325,221	257,851
Water - Backup Well	-	-	10,994
Band Support	-	15,769	-
	-	428,488	382,833
<b>Current deficit before transfers</b>	-	(428,488)	(382,833)
<b>Transfers</b>			
Transfer - Amortization	-	428,488	382,833
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements