

**CANOE LAKE FIRST NATION**

**STATEMENT OF FINANCIAL POSITION**  
**as at March 31, 2016**

	<u>2016</u>	<u>2015</u>
<b><u>FINANCIAL ASSETS</u></b>		
Restricted deposits	\$ 1,248,652	\$ 1,882,020
Accounts receivable (Note 2)	141,311	226,111
Trust funds (Note 3)	105,136	81,748
Investments (Note 4)	361,505	544,155
Limited partnership interests (Note 5)	<u>3,883,055</u>	<u>4,737,848</u>
	<u>5,739,659</u>	<u>7,471,882</u>
<b><u>FINANCIAL LIABILITIES</u></b>		
Bank indebtedness	539,864	210,067
Accounts payable (Note 6)	1,670,596	1,126,609
Funded reserves (Note 7)	347,697	613,790
Unexpended revenue (Note 8)	1,214,403	1,817,769
Term debt (Notes 9 & 10)	<u>7,934,367</u>	<u>7,757,556</u>
	<u>11,706,927</u>	<u>11,525,791</u>
NET FINANCIAL ASSETS	( 5,967,268)	( 4,053,909)
<b><u>NON-FINANCIAL ASSETS</u></b>		
Tangible capital assets (Note 11)	<u>17,783,571</u>	<u>17,994,737</u>
<b>SURPLUS</b>	<u>\$ 11,816,303</u>	<u>\$ 13,940,828</u>
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APPROVED BY COUNCIL:





**CANOE LAKE FIRST NATION**

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>\$ ( 1,359,610)</b>	<b>\$ 73,185</b>
Receipt of deferred capital	42,587	-
Purchase of capital assets	( 985,305)	-
Amortization of capital assets	394,698	395,036
Funding agency adjustments	( 5,729)	( 17,896)
 <b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	 <b>( 1,913,359)</b>	 <b>450,325</b>
 <b>BALANCE, beginning of the year</b>	 <b>( 4,053,909)</b>	 <b>( 4,504,234)</b>
 <b>BALANCE, end of the year</b>	 <b>\$ ( 5,967,268)</b>	 <b>\$ ( 4,053,909)</b>
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**CANOE LAKE FIRST NATION**

**STATEMENT OF OPERATIONS**  
**for the year ended March 31, 2016**

	<u>Budget</u>	<u>2016</u>	<u>2016</u>	<u>2015</u>
	<u>2016</u>			
<b>Grants and Contributions:</b>				
- Aboriginal Affairs and Northern Development Canada	\$ 6,610,365	\$ 6,610,365	\$ 7,444,758	
- Health Canada	35,000	35,000	35,000	
- Meadow Lake Tribal Council	3,969,009	4,101,783	3,997,409	
- First Nations Trust – Gaming	750,000	807,313	806,231	
- Canada Mortgage and Housing Corporation	-	-	68,546	
- Government of Saskatchewan	26,250	26,250	10,500	
- Northern Recreation Committee	23,150	23,150	45,650	
- Saskatchewan Lotteries	12,605	12,605	9,080	
- Northern Lights Community Development	306,000	306,000	152,487	
- Canoe Lake Trusts	100,000	100,000	160,000	
Interest earned	300	606	446	
Donations and fundraising	10,000	22,334	12,750	
Rentals	105,300	77,874	109,214	
Earnings distributions	10,000	27,415	30,363	
Residential school settlements	140,000	172,716	174,000	
Expense recoveries and other income	435,368	762,814	519,806	
Contracting	-	289,498	-	
Sales tax refunds	310,000	375,973	166,379	
Revenue trust interest and fees	20,000	23,388	56,711	
Housing rents and subsidy	<u>831,577</u>	<u>831,577</u>	<u>841,533</u>	
	13,694,924	14,606,661	14,640,863	
Unexpended revenue - prior year	1,817,769	1,817,769	1,544,521	
- current year	<u>-</u>	<u>(1,214,403)</u>	<u>(1,817,769)</u>	
	15,512,693	15,210,027	14,367,635	
<b>EXPENSES</b>	<b><u>14,630,857</u></b>	<b><u>15,998,394</u></b>	<b><u>14,328,555</u></b>	
<b>SURPLUS (DEFICIT) BEFORE THE UNDERNOTED</b>	<b>881,836</b>	<b>( 788,367)</b>	<b>85,871</b>	
Limited partnership earnings (loss)	200,000	( 388,593)	39,060	
Equity change in investments	<u>100,000</u>	<u>( 182,650)</u>	<u>( 12,686)</u>	
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>\$ 1,181,836</b>	<b>\$ ( 1,359,610)</b>	<b>\$ 73,185</b>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL  
 PART OF THESE FINANCIAL STATEMENTS

**CANOE LAKE FIRST NATION**

**STATEMENT OF SURPLUS BALANCES**  
**for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
<b><u>SURPLUS, DEFERRED CAPITAL TRANSFERS</u></b>		
BALANCE, beginning of the year	\$ 8,253,396	\$ 9,055,229
PLUS: capital assets acquired with grant funding	42,587	-
LESS: amortization recorded	( 801,773)	( 801,833)
BALANCE, end of the year	\$ 7,494,210	\$ 8,253,396
	<u>=====</u>	<u>=====</u>
<b><u>SURPLUS, EQUITY IN INVESTMENTS</u></b>		
BALANCE, beginning of the year	\$ 544,155	\$ 608,148
Meadow Lake Co-op Membership		
- patronage dividend	27,415	11,256
- receipt of funds	( 17,415)	( 28,129)
Nehiyo Wapasihk Business Development		
- earnings (loss) for the year	( 108,198)	( 2,081)
Opasihk Development Corp.		
- contributed surplus amortized	( 3,031)	( 3,031)
- earnings (loss) for the year	( 81,421)	( 42,008)
BALANCE, end of the year	\$ 361,505	\$ 544,155
	<u>=====</u>	<u>=====</u>

## CANOE LAKE FIRST NATION

## STATEMENT OF SURPLUS / EQUITY BALANCES for the year ended March 31, 2016

	2016	2015
<b><u>SURPLUS (DEFICIT) APPROPRIATED FOR CMHC HOUSING</u></b>		
BALANCE, beginning of the year	\$ ( 76,512)	\$ ( 61,999)
Adjustments by funding agency	( 5,729)	( 17,896)
Surplus (Deficit) for the year	<u>996</u>	<u>3,383</u>
BALANCE, end of the year	<u>\$ ( 83,237)</u>	<u>\$ ( 76,512)</u>
<b><u>SURPLUS (DEFICIT) UNAPPROPRIATED</u></b>		
BALANCE, beginning of the year	\$ 5,219,789	\$ 5,085,994
SURPLUS (DEFICIT) FOR THE YEAR	<u>( 1,359,610)</u>	<u>73,185</u>
BALANCE	3,860,179	5,159,179
<b>ALLOCATION OF SURPLUS:</b>		
- Appropriated surplus	996	( 3,383)
- Investment equity	<u>182,650</u>	<u>63,993</u>
BALANCE, end of the year	\$ 4,043,825	\$ 5,219,789

**CANOE LAKE FIRST NATION**

**STATEMENT OF CASH FLOWS**  
**for the year ended March 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>OPERATIONS:</b>		
Surplus (Deficit) for the year	\$ ( 1,359,610)	\$ 73,185
Plus: Amortization	394,698	395,036
Funding agency adjustments	( 5,729)	( 17,896)
	( 970,641)	450,325
<b>Changes in non-cash Working Capital items:</b>		
Accounts receivable	84,800	( 52,039)
Accounts payable	543,987	189,980
Unexpended revenue	( 603,366)	273,248
	( 945,220)	861,514
<b>INVESTING ACTIVITIES:</b>		
Change in investment balances	1,010,443	115,805
Change in trust balances	( 23,388)	25,339
Purchase of capital assets	( 985,305)	-
	1,750	141,144
<b>FINANCING ACTIVITIES:</b>		
Receipt of deferred capital	42,587	-
Proceeds of term debt	937,000	-
Repayment of term debt	( 760,189)	( 786,985)
	219,398	( 786,985)
<b>INCREASE (DECREASE) IN CASH RESOURCES</b>	<b>( 724,072)</b>	<b>215,673</b>
<b>CASH RESOURCES, beginning of the year</b>	<b>1,058,163</b>	<b>842,490</b>
<b>CASH RESOURCES, end of the year</b>	<b>\$ 334,091</b>	<b>\$ 1,058,163</b>
<b>Cash resources are represented by:</b>		
Bank balance	\$ ( 539,864)	\$ ( 210,067)
Restricted deposit	1,248,652	1,882,020
Funded reserves	( 374,697)	( 613,790)
	\$ 334,091	\$ 1,058,163

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

##### Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board.

##### Reporting Entity and Principles of Financial Reporting

The Canoe Lake First Nation reporting entity includes the Canoe Lake First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Canoe Lake First Nation – Housing Authority

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

##### Net Financial Assets

Net financial assets are the net amount of financial assets less financial liabilities outstanding. Financial assets represent items which could provide resources to the First Nation to discharge existing liability or finance future operations.

##### Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the First Nation as they can be used to provide services in future periods. These assets do not provide resources to discharge the liabilities of the First Nation unless they are sold.

##### Cash and Cash Equivalents

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

## **CANOE LAKE FIRST NATION**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016**

#### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

##### **Investments**

Incorporated business entities, which are owned or controlled by the Canoe Lake First Nation and which are not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method.

Long term investments in non-controlled entities are recorded at the lower of cost or net realizable value.

##### **Revenue Recognition**

Revenue are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenue is 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 stipulation give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Contribution 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. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable, and are presented as non-financial assets in the statement of financial operations.

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

##### **Pension Plan**

Canoe Lake First Nation provides a defined contribution pension plan for its employees. The pension costs are charged to operations as contributions are due. Contributions are a defined amount whereby the employer matches that paid by the employee.

##### **Leased Assets**

Leased assets that transfer substantially all of the benefits and risks of ownership are recorded as the acquisition of a tangible capital asset and in the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expenses as incurred.

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

##### Tangible Capital Assets

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

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

Buildings and improvements	20 to 75 years
General equipment	10 to 20 years
Vehicles and machinery	4 years
Trailers	10 years
Roads	25 years
Infrastructure	20 to 80 years
Houses	40 years

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

Assets under construction are not amortized until the asset is available to be put into service.

No amortization is recorded in the year of acquisition.

##### Government Funding for Capital Assets

Funding received for the purchase of or construction of capital assets is accumulated as an equity account, Deferred Capital Transfers, and is amortized at the same rate as the applicable capital assets are amortized.

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

##### Financial Instruments

Financial instruments consist of bank, portfolio investments, accounts receivable, trust funds, accounts payable and unexpended revenue. The First Nation's financial instruments are measured at cost or amortized cost. Interest attributable to financial instruments is reported in the statement of operations. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Due to the short-term nature of all financial instruments other than long-term investments and long-term debt, the carrying values are presented in the financial statements are reasonable estimates of fair value. As is true for all estimates, actual fair value could differ from this estimate and, if so, any difference could be accounted for in the period in which it becomes known. Since long-term investments are not traded in an organized financial market, it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability.

##### Use of Estimates

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year.

Accounts receivable and members advance are assessed for collectability annually and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from estimates.

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 2. ACCOUNTS RECEIVABLE:

	<u>2016</u>	<u>2015</u>
Housing subsidy	\$ 36,461	\$ 36,986
MLTC Program Services	19,757	4,352
Northern Lights Development	77,457	-
Expense recoveries	7,636	1,700
MLTC Child & Family Services	-	9,073
Residential Settlements	<u>-</u>	<u>174,000</u>
	<u>\$ 141,311</u>	<u>\$ 226,111</u>

#### 3. TRUST FUNDS:

The First Nation has the following trust funds held by Aboriginal Affairs and Northern Development Canada:

	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>
Balance, March 31, 2014	\$ 78,864	\$ 2,884	\$ 81,748
Plus: Interest and royalties	19,617	3,771	23,388
Less: Receipt of funds	<u>-</u>	<u>-</u>	<u>-</u>
Balance, March 31, 2016	<u>\$ 98,481</u>	<u>\$ 6,655</u>	<u>\$ 105,136</u>

## CANOE LAKE FIRST NATION

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2016**

#### 4. INVESTMENTS:

The First Nation has the following investments:

		<u>2016</u>	<u>2015</u>
<b>MLTC Resource Development Inc.</b>			
- 1 Class A common share (11% ownership)		\$ 1	\$ 1
<b>MLTC Program Services Inc.</b>			
- 1 Class A common share (11% ownership)		1	1
<b>MLDC Investment C. Ltd.</b>			
- 1 Class A common share (11% ownership)		1	1
<b>First Nations Bank</b>			
- 537 Common shares		<u>940</u>	<u>940</u>
		<u>943</u>	<u>943</u>
<b>Nehiyo Wapasihk Business Development Corporation</b>			
- 1 Class A common share (100% ownership)			
- share capital		10,000	10,000
- retained earnings		<u>9,074</u>	<u>117,272</u>
		<u>19,074</u>	<u>127,272</u>
<b>Opasihk Development Corporation</b>			
- 100 Class A common shares (100% ownership)			
- share capital issued		1	1
- contributed capital		509,500	509,500
- contributed surplus		9,093	12,124
- retained earnings (deficit)		<u>( 197,106)</u>	<u>( 115,685)</u>
		<u>321,488</u>	<u>405,940</u>
<b>Meadow Lake Co-op</b>			
- equity account		<u>20,000</u>	<u>10,000</u>
		<u>\$ 351,505</u>	<u>\$ 544,155</u>

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 5. LIMITED PARTNERSHIPS:

The First Nation has the following interests:

(1) MLTC Resource Development Limited Partnership (11.1% ownership)

	<u>2016</u>	<u>2015</u>
Balance, beginning of the year	\$ 4,686,541	\$ 4,789,660
Plus: share of earnings (loss)	( 394,198)	46,881
Less: distribution received	( 450,000)	( 150,000)
Balance, end of the year	\$ 3,842,343	\$ 4,686,541
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(2) Canadian Shield Insurance Limited Partnership (30% ownership)

Balance, beginning of the year	\$ 51,307	\$ -
Plus: share of earnings (loss)	5,605	51,307
Less: distribution received	( 16,200)	-
Balance, end of the year	\$ 40,712	\$ 51,307
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#### 6. ACCOUNTS PAYABLE:

	<u>2016</u>	<u>2015</u>
Housing reserves obligation (Note 7)	\$ 1,269,050	\$ 860,656
Employee group insurance	-	-
Trade creditors	382,923	255,493
Accrued mortgage interest	8,623	10,460
Housing fund capital costs	<u>10,000</u>	-
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	\$ 1,670,596	\$ 1,126,609
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## CANOE LAKE FIRST NATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

## 7. FUNDED RESERVES:

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation is required to fund both an asset replacement reserve and an operating surplus reserve. Use of the funded reserves is subject to the terms of the agreement. As for the fiscal year end the reserve obligation is:

	<u>2016</u>	<u>2015</u>
<b>Total obligation</b>	<b>\$ 1,616,747</b>	<b>\$ 1,474,446</b>
<b>Funded amount on deposit</b>	<b><u>347,697</u></b>	<b><u>613,790</u></b>
<b>Outstanding obligation (see Note 6)</b>	<b>\$ 1,269,050</b>	<b>\$ 860,656</b>

## 8. UNEXPENDED REVENUE:

#### **The First Nation unexpended revenue includes:**

	<u>Sch</u>	<u>2016</u>	<u>2015</u>
Instruction	2	\$ 260,720	\$ 391,675
Student Success	6	44,999	69,466
Adult care	7	-	6,208
Capital Water	17	663,883	253,470
Capital Eagles Lake	18	237,072	1,014,761
Benefits	21	( 7,806)	808
Community Reinvestment	45	15,535	-
Residential School	47	-	<u>81,381</u>
		\$ 1,214,403	\$ 1,817,769

**CANOE LAKE FIRST NATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2016**

**9. TERM DEBT:**

The First Nation has the following term debt:

	<u>2016</u>	<u>2015</u>
1) First Nations Bank loan; repayable in monthly installments of \$4,133 including interest at 6.53%.	\$ 275,410	\$ 305,850
2) First Nations Bank loan; repayable in annual installments of \$160,929 in April plus interest monthly at the rate of 3.70%.	482,786	643,714
3) First Nations Bank loan; repayable in quarterly installments of \$58,250 plus interest on a monthly basis at 6.0%.	640,750	873,750
4) First Nations Bank loan; repayable in quarterly installments of \$23,375 plus interest payable on a monthly at 5.70%.	187,000	-
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	\$ 1,585,946	\$ 1,823,314
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The amount of debt repayable in subsequent periods is estimated at:

2017	\$ 496,054
2018	521,429
2019	395,053
2020	39,000
2021	42,000
Subsequent	<hr/> 92,410
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	\$ 1,585,946
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## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 10. RENTAL HOUSING MORTGAGES:

The First Nation has the following housing mortgages outstanding, which are all guaranteed by Aboriginal Affairs and Northern Development Canada:

	<u>2016</u>	<u>2015</u>
1) Peace Hills Trust is repayable at \$2,890 including interest at 3.95% per annum.	\$ 74,845	\$ 104,601
2) CMHC # 2; payable monthly at \$1,177 including interest at 1.83%.	113,169	125,109
3) CMHC # 3; payable monthly at \$1,655 including interest at .94%.	172,805	190,151
4) CMHC # 4; payable monthly at \$1,642 including interest at 1.53%.	204,935	221,368
5) CMHC # 5; payable monthly at \$1,504 including interest at 1.12%.	231,180	246,542
6) CMHC # 6; payable monthly at \$4,992 including interest at 4.45%.	849,866	895,353
7) CMHC # 7; payable monthly at \$4,042 including interest at 1.65%.	494,437	534,429
8) CMHC # 8; payable monthly at \$6,253 including interest at 1.83%.	1,190,151	1,243,146
9) CMHC # 9; payable monthly at \$3,588 including interest at 1.19%.	671,480	699,252
10) CMHC # 10; payable monthly at \$1,456 including interest at 1.60%.	321,899	334,118

**CANOE LAKE FIRST NATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended March 31, 2016**

**10. RENTAL HOUSING MORTGAGES: (Continued)**

		<u>2016</u>	<u>2015</u>
11) CMHC # 11; payable monthly at \$2,912 including interest at 1.60%.		\$ 643,799	\$ 668,236
12) CMHC # 12; payable monthly at \$4,690 including interest at 2.18%.		629,855	671,937
13) CMHC # 13; payable monthly at \$3,525 including interest at 1.10%.		750,000	-
		<hr/>	<hr/>
		\$ 6,348,421	\$ 5,934,242
		<hr/>	<hr/>

The amount of debt repayable in subsequent periods is estimated at:

2017	\$ 370,000
2018	390,000
2019	370,000
2020	380,000
2021	395,000
Subsequent years	<u>4,443,421</u>
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	\$ 6,348,421
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## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 11. TANGIBLE CAPITAL ASSETS:

The major categories of tangible capital assets are:

	<u>2016</u>	<u>2015</u>
<b><u>Cost</u></b>		
Rental houses	\$ 10,500,429	\$ 9,740,624
Buildings	9,276,461	9,276,461
Equipment	199,192	199,192
Heavy equipment	395,968	222,968
Trailers	67,639	67,639
Vehicles	384,283	331,783
Infrastructure	6,771,968	6,771,968
Roads	451,731	451,731
Houses	<u>12,438,572</u>	<u>12,438,572</u>
	<u>40,486,243</u>	<u>39,500,938</u>
<b><u>Accumulated Amortization</u></b>		
Rental houses	2,155,499	1,819,678
Buildings	4,410,028	4,047,158
Equipment	197,600	197,075
Heavy equipment	146,948	122,514
Trailers	67,639	67,639
Vehicle	278,960	252,542
Infrastructure	3,939,634	3,804,195
Roads	451,731	451,731
Houses	<u>11,054,633</u>	<u>10,743,669</u>
	<u>22,702,672</u>	<u>21,506,201</u>
<b>Net Book Value</b>	<b>\$ 17,783,571</b>	<b>\$ 17,994,737</b>
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#### 12. ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA:

The First Nation has entered into funding arrangements with Aboriginal Affairs and Northern Development Canada. The funds are used by the First Nation to administer its operations and provide service to its members in accordance with the terms of the funding arrangement. Funding received under these contribution agreements is subjected to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

## CANOE LAKE FIRST NATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2016

#### 13. PENSION AGREEMENT:

The First Nation provides a defined contribution plan for eligible members of its staff. The First Nation matches employees' contributions. The amount to be received by employees will be the amount of retirement annuity that could be purchased based on the employee's share of the pension plan at the time the employee's withdrawal from the plan.

#### 14. BUDGETED FIGURES:

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates supplied by management.

#### 15. RISK MANAGEMENT

The First Nation is exposed to credit risk and liquidity risk from its financial instruments.

The First Nation's member advances are exposed to credit risk. The First Nation manages its exposure to credit risk by actively limiting the amount of non-funding accounts receivable outstanding.

The First Nation is exposed to liquidity risk which are limitations on the ability of the First Nation to convert financial assets to cash in order to meet financial liabilities as a result of being economically dependent on funding from AANDC. The First Nation's approach to managing its liquidity risk is to ensure that it will have sufficient cash flows to fund its operations and to meet its obligations when due, under both normal and stressed conditions.

#### 16. COMPARATIVE FIGURES:

Comparative figures for 2014/2015 have been restated to match current reporting practices.