

**Chipewyan Prairie First Nation**  
**Consolidated Financial Statements**  
**March 31, 2017**

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# Chipewyan Prairie First Nation

## Consolidated Financial Statements

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March 31, 2017

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# Chipewyan Prairie First Nation

## Management's Responsibility for Financial Reporting

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March 31, 2017

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The accompanying consolidated financial statements of Chipewyan Prairie First Nation are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Council meets periodically with management, as well as the 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 to review the consolidated financial statements and the external auditor's report.

The external auditors, Crowe MacKay LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Chipewyan Prairie First Nation and meet when required.

On behalf of Chipewyan Prairie First Nation:

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Administrative Director

November 3, 2017  
Date

November 3, 2017  
Date

## **Independent Auditors' Report**

### **To the Members of Chipewyan Prairie First Nation**

We have audited the accompanying consolidated financial statements of Chipewyan Prairie First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows 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 Chipewyan Prairie First Nation as at March 31, 2017, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Edmonton, Canada  
November 3, 2017**

*Crowe MacKay LLP*  
**Chartered Professional Accountants**

# Chipewyan Prairie First Nation

## Consolidated Statement of Financial Position

March 31 2017 2016

### Financial Assets

Cash (Note 2)	\$ 2,004,264	\$ 1,338,820
Accounts receivable (Note 3)	780,524	652,405
Chipewyan Prairie Business Trust (Note 4)	12,118,066	11,415,452
Investments in First Nation Controlled Entities (Note 5)	12,654,822	12,287,157
Chipewyan Prairie First Nation Business Trust (Note 6)	5,465,095	5,428,137
Investments (Note 7)	121	101
Cash held in Trust (Note 8)	100,000	100,000
Restricted investment (Note 9)	6,351,594	6,317,521
Ottawa Trust Funds (Note 10)	302,344	281,587
	<b>39,776,830</b>	<b>37,821,180</b>

### Liabilities

Accounts payable (Note 11)	624,499	618,850
Deferred revenue (Note 12)	812,572	289,590
Due to related parties (Note 13)	2,599,024	1,769,681
Long-term debt (Note 14)	3,367,199	3,588,086
	<b>7,403,294</b>	<b>6,266,207</b>

Net financial assets 32,373,536 31,554,973

### Non-financial Assets

Tangible capital assets (Note 15)	20,344,252	20,561,003
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**Accumulated Surplus (Note 16) \$ 52,717,788 \$ 52,115,976**

Contingent liabilities (Note 17)

Approved on behalf of the Chipewyan Prairie First Nation

 , Chief

 , Councilor

# Chipewyan Prairie First Nation

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Federal Government:			
Indigenous and Northern Affairs Canada - Fixed	\$ 1,150,800	\$ 1,147,067	\$ 1,393,350
Indigenous and Northern Affairs Canada - Set	133,036	133,110	1,017,722
Indigenous and Northern Affairs Canada - Grant	304,000	303,364	318,804
Revenue Band Funds	-	20,757	21,070
Health Canada	1,200,000	1,155,153	1,050,419
Canada Mortgage and Housing Corporation subsidies	240,000	413,565	239,088
Athabasca Tribal Council	120,000	163,181	145,574
First Nation Development Funds	500,000	96,194	1,021,431
Enterprises income	-	1,003,198	2,754,673
Land Claims Settlement Trust	-	250,788	255,248
Business Trusts	-	1,711,506	1,958,015
Rental Income	-	129,000	61,800
Social priorities - Industrial Relations Corporation	1,000,000	1,191,400	3,691,237
Other revenue	3,352,164	3,654,821	795,127
	<b>8,000,000</b>	<b>11,373,104</b>	<b>14,723,558</b>
<b>Expenses</b>			
Amortization	-	1,024,965	1,034,800
Band government	1,237,400	2,010,008	1,977,305
Capital projects and housing	2,293,000	2,089,028	2,408,920
Economic development	1,022,500	2,197,749	2,765,499
Education	419,100	395,359	603,330
Employment programs	120,000	211,977	289,120
Health	1,200,000	1,166,043	1,069,642
Other	500,000	587,641	8,304
Public works	1,185,000	1,073,822	1,125,623
Social services	23,000	14,700	-
	<b>8,000,000</b>	<b>10,771,292</b>	<b>11,282,543</b>
<b>Excess of revenue over expenses</b>	-	<b>601,812</b>	<b>3,441,015</b>
<b>Accumulated surplus, beginning of year</b>	-	<b>52,115,976</b>	<b>48,674,961</b>
<b>Accumulated surplus, end of year</b>	<b>\$ -</b>	<b>\$ 52,717,788</b>	<b>\$ 52,115,976</b>

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## Chipewyan Prairie First Nation

### Consolidated Statement of Change in Net Financial Assets

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For the year ended March 31	2017	2016
<b>Excess of revenue over expenses</b>	<b>\$ 601,812</b>	<b>\$ 3,441,015</b>
Acquisition of tangible capital assets	(808,214)	(1,034,922)
Amortization of tangible capital assets	1,024,965	1,034,800
Loss on disposal of tangible capital assets	-	139,861
	<b>216,751</b>	<b>139,739</b>
<b>Increase in net financial assets</b>	<b>818,563</b>	<b>3,580,754</b>
<b>Net financial assets, beginning of year</b>	<b>31,554,973</b>	<b>27,974,219</b>
<b>Net financial assets, end of year</b>	<b>\$ 32,373,536</b>	<b>\$ 31,554,973</b>

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# Chipewyan Prairie First Nation

## Consolidated Statement of Cash Flow

For the year ended March 31, 2017	2017	2016
<b>Cash flows from</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 601,812	\$ 3,441,015
Items not affecting cash		
Amortization of capital assets	1,024,965	1,034,800
Loss on disposal of trailer	-	139,861
	1,626,777	4,615,676
Change in non-cash operating working capital		
Accounts receivable	(128,119)	51,373
Investments	(20)	-
Restricted investment	(34,073)	(54,324)
Accounts payable	5,648	(53,773)
Deferred revenue	522,982	(501,881)
	1,993,195	4,057,071
<b>Capital activities</b>		
Purchase capital assets	(808,214)	(1,034,921)
<b>Financing activities</b>		
Due from (to) related parties	829,343	(944,610)
Long-term debt	(220,886)	(264,111)
	608,457	(1,208,721)
<b>Investing activities</b>		
Increase in Ottawa Trust Funds	(20,757)	(21,070)
Investments in First Nation Controlled Entities	(367,665)	(2,654,773)
Chipewyan Prairie First Nation Business Trust	(36,958)	1,141,529
Chipewyan Prairie Business Trust	(702,614)	556,806
	(1,127,994)	(977,508)
<b>Increase in cash and cash equivalents</b>	<b>665,444</b>	<b>835,921</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,338,820</b>	<b>502,899</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,004,264</b>	<b>\$ 1,338,820</b>



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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 1. 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 of Chartered Professional Accountants of Canada.

#### (a) Reporting entity principles of financial reporting

The Chipewyan Prairie First Nation reporting entity includes the Chipewyan Prairie First Nation government and all related entities that are accountable to the First Nation, and are either owned or controlled by the Chipewyan Prairie First Nation.

These consolidated financial statements include the operations of Chipewyan Prairie First Nation Land Claim Settlement Trust.

First Nation business enterprises and Trusts, that are owned or controlled by the First Nation Council and that are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method, in accordance with the Public Sector Accounting Recommendations.

Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform with those of the First Nation. Thus, the First Nation's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses. Enterprises accounted for by the modified equity basis include:

1. Chipewyan Prairie Ventures Inc.
2. Chipewyan Prairie Camp and Catering Corporation
3. Chipewyan Prairie Oil Field Development Corporation
4. Chipewyan Prairie First Nation Housing Society
5. 1027511 Alberta Limited
6. Janvier Aboriginal Industrial Services Co. (JAISCO)
7. Chipewyan Prairie Business Trust
8. Prairie Dene Development Corporation
9. Chipewyan Prairie First Nation Business Trust
10. Chipewyan Prairie First Nation Land Claim Settlement Trust
11. Chipewyan Prairie Real Estate Development Corporation
12. Chipewyan Prairie Store Corporation

Long-term investments in non-controlled entities are recorded at cost.

The First Nation also has investments in the Chipewyan Prairie First Nation Land Claim Settlement Trust. These funds are accounted for as received and release of funds are subject to the terms of the Trust Agreements.

#### (b) Cash

Cash and cash equivalents includes cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (c) Tangible capital assets

Tangible capital assets are recorded at cost except for reserve lands, natural resources and cultural resources which are not recorded.

Amortization is provided on the straight-line basis over the estimated useful life of the asset as follows:

Buildings	5%	Declining balance
Automotive equipment	5%	Declining balance
Office equipment	20%	Declining balance
Equipment	25%	Declining balance
Infrastructure	5%	Declining balance
Emergency trailers	5%	Declining balance
Assets under construction	0%	Declining balance

#### (d) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the consolidated financial statements, together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

#### (e) 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 is performed is deferred and recognized when the fee is earned or service performed.

Income from investments is recorded on the accrual basis.

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 1. Basis of Presentation and Significant Accounting Policies (continued)

#### (f) Use of estimates

The preparation of 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Oil and gas royalties and surface rights payments related to oil and gas exploration and development activities are administered directly by the Government of Canada ("Canada") under the provisions of the Indian Oil and Gas Act. The Nation records receipts based on currently available information supplied by Canada. Royalty payments from oil and gas producers are subject to periodic revision. Adjustments are recorded by the Nation in the period that the information becomes available.

### 2. Cash

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Nation is required to provide a replacement reserve. This reserve is to ensure replacement of buildings financed by Canada Mortgage and Housing Corporation. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. At March 31, 2017 the reserve is under funded by \$302,701 (2016 - \$274,971).

The Nation's credit facilities include an authorized line of credit to a maximum of \$100,000 bearing interest at the bank's prime rate plus 3%, of which nil was used in the current year (2016 - nil).

### 3. Accounts receivable

	2017	2016
Indigenous and Northern Affairs Canada (INAC)	\$ 228,199	\$ 362,925
First Nation Inuit Health	72,965	-
Athabasca Tribal Council	142,831	87,254
Canada Mortgage and Housing Corporation	176,652	-
First Nations Development Fund	113,365	129,066
Other	66,512	93,160
	<b>800,524</b>	<b>672,405</b>
Allowance for doubtful accounts	<b>(20,000)</b>	<b>(20,000)</b>
	<b>\$ 780,524</b>	<b>\$ 652,405</b>

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 4. Investment in Chipewyan Prairie Business Trust

The Investment in Chipewyan Prairie Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Janvier Fabrication Services Limited Partnership, Janvier Pipeline Services Limited Partnership, Janvier Landsite Services Limited Partnership, Chipewyan Prairie Real Estate Development Limited Partnership, Chipewyan Prairie Store Limited Partnership, and TDN Contracting Ltd., less the cash distributions made by the limited partnerships to the First Nation. Peace Hills Trust is the Trustee.

#### Change in Investment in Chipewyan Prairie Business Trust

	2017	2016
Equity, beginning of year	\$ 11,415,452	\$ 11,972,258
Net income	1,651,664	3,099,544
Distributions	(949,050)	(3,656,350)
Investment in Chipewyan Prairie Business Trust	\$ 12,118,066	\$ 11,415,452

#### Balance Sheet

	2017 Total	2016 Total
Cash	\$ 60	\$ 60
Investments	152,196	152,196
Funds held in trust	10	10
Total assets	\$ 152,266	\$ 152,266
Due to related parties	\$ 152,256	\$ 152,256
Trust capital	10	10
Total liabilities and equity	\$ 152,266	\$ 152,266

#### Income Statement

	2017 Total	2016 Total
Distributions received from Limited Partnerships	\$ 1,058,950	\$ 5,854,658
Distributions paid	(1,058,950)	(5,854,658)
Net income	-	-
Share of net income of limited partnerships	1,651,664	3,099,544
Adjusted net income, March 31,	\$ 1,651,664	\$ 3,099,544

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 5. Investments in First Nation Controlled Entities

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. 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.

	Janvier Laundry Facility Ltd.	Prairie Dene Development Corporation	Chipewyan Prairie Camp and Catering Corporation	Chipewyan Prairie Oil Field Development Corporation	Chipewyan Prairie Ventures Inc.	1027511 Alberta Ltd.	Janvier Aboriginal Industrial Services Corporation	Chipewyan Prairie Real Estate Development Corporation
Cash	\$ 47,819	\$ 207,879	\$ 4,155	\$ 4,216	\$ 4,133	\$ 2,684,810	\$ 2,856	\$ 1,691
Accounts receivable	427,198	797,223	-	-	-	1,731,784	-	-
Prepaid expenses	-	5,609	-	-	-	16,669	-	-
Due from related parties	100	-	-	-	-	300,000	-	-
Due from shareholder	-	-	-	-	-	-	-	50
Investments	-	-	-	-	-	-	360	-
Investment in partnerships	-	-	595	36,025	-	-	-	-
Property and equipment	3,314,203	14,844,254	-	-	-	39,367	-	-
<b>Total assets</b>	<b>\$ 3,789,320</b>	<b>\$ 15,854,965</b>	<b>\$ 4,750</b>	<b>\$ 40,241</b>	<b>\$ 4,133</b>	<b>\$ 4,772,630</b>	<b>\$ 3,216</b>	<b>\$ 1,741</b>
Accounts payable and accrued liabilities	\$ 1,296,651	\$ 362,673	\$ 2,500	\$ 2,499	\$ 2,800	\$ 172,957	\$ 2,000	\$ 1,499
Unearned revenue	-	-	-	-	-	3,359,976	-	-
Deposits	-	1,271	-	-	-	-	-	-
Due to related parties	-	379,292	28,031	28,367	26,884	1,237,301	15,220	9,243
Deficiency in partnerships	-	-	-	-	395	-	-	121
Loans payable	-	4,877,455	-	-	-	-	-	-
<b>Total liabilities</b>	<b>1,296,651</b>	<b>5,620,691</b>	<b>30,531</b>	<b>30,866</b>	<b>30,079</b>	<b>4,770,234</b>	<b>17,220</b>	<b>10,863</b>
<b>Equity</b>	<b>2,492,669</b>	<b>10,234,274</b>	<b>(25,781)</b>	<b>9,375</b>	<b>(25,946)</b>	<b>2,396</b>	<b>(14,004)</b>	<b>(9,122)</b>
<b>Total liabilities and equity</b>	<b>\$ 3,789,320</b>	<b>\$ 15,854,965</b>	<b>\$ 4,750</b>	<b>\$ 40,241</b>	<b>\$ 4,133</b>	<b>\$ 4,772,630</b>	<b>\$ 3,216</b>	<b>\$ 1,741</b>

# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 5. Investments in First Nation Controlled Entities, continued

	218 Trading Post Ltd.	2017 Total	2016 Total
Cash	\$ 2,000	\$ 2,959,559	\$ 2,254,596
Accounts receivable	-	2,956,205	1,522,730
Prepaid expenses	-	22,278	14,212
Due from related parties	-	300,100	1,070,347
Due from shareholder	-	50	585,893
Investments	-	360	360
Investment in partnerships	-	36,620	36,192
Property and equipment	-	18,197,824	16,569,871
<b>Total assets</b>	<b>\$ 2,000</b>	<b>\$ 24,472,996</b>	<b>\$ 22,054,201</b>
Accounts payable and accrued liabilities	\$ 1,500	\$ 1,845,079	\$ 2,070,345
Unearned revenue	-	3,359,976	2,009,852
Deposits	-	1,271	-
Due to related parties	6,701	1,731,039	1,608,374
Current portion of long-term debt	-	-	63,390
Deficiency in partnerships	2,838	3,354	1,031
Loans payable	-	4,877,455	2,404,285
Long-term debt	-	-	1,609,457
<b>Total liabilities</b>	<b>11,039</b>	<b>11,818,174</b>	<b>9,766,734</b>
<b>Equity</b>	<b>(9,039)</b>	<b>12,654,822</b>	<b>12,287,157</b>
<b>Total liabilities and equity</b>	<b>\$ 2,000</b>	<b>\$ 24,472,996</b>	<b>\$ 22,053,891</b>

# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 5. Investments in First Nation Controlled Entities, continued

	Janvier Laundry Facility Ltd.	Prairie Dene Development Corporation	Chipewyan Prairie Camp and Catering Corporation	Chipewyan Prairie Oil Field Development Corporation	Chipewyan Prairie Ventures Inc.	1027511 Alberta Ltd.	Janvier Aboriginal Industrial Services Corporation	Chipewyan Prairie Real Estate Development Corporation
Revenue	\$ 199,234	\$ 1,019,164	\$ (2)	\$ 430	\$ (357)	\$ 2,330,297	\$ 2	\$ (14)
Expenses	681,384	1,011,751	1,920	1,967	2,111	2,330,297	2,271	1,755
	\$ (482,150)	\$ 7,413	\$ (1,922)	\$ (1,537)	\$ (2,468)	\$ -	\$ (2,269)	\$ (1,769)

	218 Trading Post Ltd.	2017 Total	2016 Total
Revenue	\$ (1,951)	\$ 3,546,803	\$ 3,647,313
Expenses	-	4,033,456	2,887,694
	\$ (1,951)	\$ (486,653)	\$ 759,619

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## Chipewyan Prairie First Nation

### Notes to Consolidated Financial Statements

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March 31, 2017

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#### 6. Investment in Chipewyan Prairie First Nation Business Trust

The Investment in Chipewyan Prairie First Nation Business Trust consists of the First Nation's share of net income of limited partnerships, which includes Chipewyan Prairie Cats Limited Partnership, Chipewyan Prairie Ventures Limited Partnership, Chipewyan Prairie Oilfield Developments Limited Partnership, Chipewyan Prairie Clearing Limited Partnership, Chipewyan Prairie Camp and Catering Limited Partnership, less the cash distributions made by the limited partnerships to the First Nation. CIBC is the Trustee.

#### Change in Investment in Chipewyan Prairie First Nation Business Trust

	2017	2016
Equity, beginning of year	\$ 5,428,137	\$ 6,569,666
Net income (loss)	59,842	(1,141,529)
Distributions	(22,884)	-
Investment in Chipewyan Prairie Business Trust	5,465,095	5,428,137

	2017 Total	2016 Total
Cash	\$ 6,031	\$ 5,501
Due from related party	13,153	799
Investments	4,995	4,995
Funds held in trust	10	10
Total assets	\$ 24,189	\$ 11,305

Accounts payable	\$ 6,300	\$ 6,300
Due to related party	12,884	-
Total liabilities	19,184	6,300
Trust capital	5,005	5,005
Total liabilities and equity	\$ 24,189	\$ 11,305

	2017 Total	2016 Total
Receipts	\$ 22	\$ 4,232
Disbursements	(12,375)	(12,395)
Contributions	12,353	8,163
Share of net income (loss) of limited partnerships	59,842	(1,141,529)
Adjusted net income, March 31,	\$ 59,842	\$ (1,141,529)

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 7. Investments

	2017	2016
Athabasca Tribal Council Ltd.	\$ 1	\$ 1
JHL Forestry Inc.	100	100
First Nation East Line Consortium	20	-
	<b>\$ 121</b>	<b>\$ 101</b>

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### 8. Cash held in Trust

Cash held in trust includes a \$100,000 guaranteed investment certificate held as a letter of guarantee by the Government of Alberta Sustainable Resource Development.

### 9. Restricted investments - Chipewyan Prairie First Nation Land Claim Settlement Trust

The restricted investments held in the Chipewyan Prairie First Nation Land Claim Settlement Trust are carried at cost plus accrued interest and consist of guaranteed investment certificates earning interest at rates ranging from 2.1% to 4.5% (2016 :2.3% to 4.5%), maturing between April 2017 and March 2022.

The Chipewyan Prairie First Nation Land Claim Settlement Trust (the "Trust") was established on February 19, 1993, with a partial settlement of obligations of the Government of Canada to the Chipewyan Prairie First Nation under the land provisions of Treaty 8. The purpose of the Trust is to provide programs and projects for the benefit of members of the Chipewyan Prairie First Nation.

Equity of the Trust is separated into Capital and Revenue Funds, as set out in the terms of the Trust Agreement.

### 10. Ottawa Trust Funds

The Ottawa Trust accounts arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by sections 63 and 69 of the Indian Act.

These Ottawa Funds are held in trust in the Consolidated Revenue fund of the Government of Canada. The funds earn interest as specified in Section 61(2) of the Indian Act.

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## Chipewyan Prairie First Nation

### Notes to Consolidated Financial Statements

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March 31, 2017

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#### 11. Accounts payable

	2017	2016
Trade payables	\$ 589,586	\$ 606,554
Government remittances payable	34,913	12,296
	<b>\$ 624,499</b>	<b>\$ 618,850</b>

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#### 12. Deferred revenue

Deferred revenue represents funding received during the year that has not been expended as at March 31, 2016 and 2017.

	2017	2016
Health Canada	\$ 19,971	\$ 70,178
First Nation Development Fund	542,601	151,876
INAC	250,000	67,536
	<b>\$ 812,572</b>	<b>\$ 289,590</b>

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#### 13. Due from (to) related parties

	2017	2016
Chipewyan Prairie Real Estate Development Corporation	\$ (50)	\$ (50)
218 Trading Post Ltd.	(50)	(50)
Chipewyan Prairie Store Limited Partnership	(5,405)	-
Chipewyan Prairie Oil Field Development Corporation	16,885	16,885
Janvier Land Site Services Limited Partnership	(944,368)	(138,415)
1027511 Alberta Ltd.	1,237,300	1,220,637
Chipewyan Prairie Camp and Catering Corporation	23,468	23,468
Chipewyan Prairie Camp and Catering Limited Partnership	(125,765)	(125,765)
Chipewyan Prairie Oil Field Development Limited Partnership	(491,790)	(491,790)
Chipewyan Prairie Cats Limited Partnership	(5,611)	(5,611)
Chipewyan Prairie Ventures Limited Partnership	(1,998,894)	(1,888,469)
Chipewyan Prairie Clearing Limited Partnership	(8,760)	(8,760)
Janvier Aboriginal Industrial Services Corporation	4,900	4,900
Janvier Pipeline Service Limited Partnership	(512,669)	(509,696)
TDN Contracting Ltd.	200,000	200,000
Prairie Dene Development Corporation	-	(78,750)
Janvier Laundry Facility Ltd.	(100)	(100)
Chipewyan Prairie Ventures Inc.	11,885	11,885
	<b>\$ (2,599,024)</b>	<b>\$ (1,769,681)</b>

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## Chipewyan Prairie First Nation

### Notes to Consolidated Financial Statements

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March 31, 2017

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#### 14. Long-term debt

	2017	2016
Peace Hills Trust mortgage payable in blended monthly payments of \$370, including interest at 3.95%, maturing July 2017.	\$ 37,739	\$ 40,649
Peace Hills Trust mortgage payable in blended monthly payments of \$882, including interest at 3.95%, maturing July 2018.	12,954	22,852
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,645, including interest at 2.11%, maturing December 2038.	693,326	722,199
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,456, including interest at 1.62%, maturing January 2038.	411,917	446,448
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,116, including interest at 1.71%, maturing July 2032.	180,561	190,787
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$3,520, including interest at 1.71%, maturing August 2027.	402,806	437,867
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,264, including interest at 1.83%, maturing in December 2034.	229,954	240,838
Bank of Montreal loan, due on demand with blended monthly payments of \$5,035, including interest at prime plus 1.5% per month, maturing November 2023.	319,358	360,308
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$1,282, including interest at 1.01%, maturing March 2035.	253,169	265,940
Canada Mortgage and Housing Corporation mortgage payable in blended monthly payments of \$4,374, including interest of 2.11%, maturing December 2038.	825,415	860,198
	<b>\$ 3,367,199</b>	<b>\$ 3,588,086</b>

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All housing loans are secured by a redirection of Indigenous and Northern Affairs Canada funds and Ministerial guarantees.

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## Chipewyan Prairie First Nation

### Notes to Consolidated Financial Statements

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March 31, 2017

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

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

2018	\$	502,330
2019		178,583
2020		179,159
2021		182,482
2022 and thereafter		2,324,645
		<hr/>
		\$ 3,367,199
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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 15. Tangible Capital Assets

	Cost			Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2017 net book value
Land	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ 9,000
Buildings	20,506,707	519,922	-	21,026,629	6,057,667	730,523	6,788,190	14,238,439
Automotive equipment	1,600,168	64,999	-	1,665,167	1,013,025	30,982	1,044,007	621,160
Computer equipment	27,537	6,069	-	33,606	27,537	3,035	30,572	3,034
Office equipment	280,099	-	-	280,099	214,153	13,189	227,342	52,757
Equipment	997,593	130,000	-	1,127,593	594,787	116,952	711,739	415,854
Infrastructure	4,560,227	-	-	4,560,227	2,034,570	126,283	2,160,853	2,399,374
Emergency trailers	111,398	-	-	111,398	31,369	4,001	35,370	76,028
Buildings - Park and Playground	2,441,382	87,224	-	2,528,606	-	-	-	2,528,606
	\$ 30,534,111	\$ 808,214	\$ -	\$ 31,342,325	\$ 9,973,108	\$ 1,024,965	\$ 10,998,073	\$ 20,344,252

	Cost			Accumulated amortization				
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2016 Net book value
Land	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -	\$ -	\$ -	\$ 9,000
Buildings	19,932,883	713,687	(139,863)	20,506,707	5,333,333	724,334	6,057,667	14,449,040
Automotive equipment	1,422,752	177,416	-	1,600,168	986,792	26,233	1,013,025	587,143
Computer equipment	27,537	-	-	27,537	27,537	-	27,537	-
Office equipment	273,582	6,517	-	280,099	198,481	15,672	214,153	65,946
Equipment	982,593	15,000	-	997,593	463,018	131,769	594,787	402,806
Infrastructure	4,546,935	13,292	-	4,560,227	1,901,991	132,579	2,034,570	2,525,657
Emergency trailers	111,398	-	-	111,398	27,157	4,212	31,369	80,029
Buildings - Park and Playground	2,332,372	109,010	-	2,441,382	-	-	-	2,441,382
	\$ 29,639,052	\$ 1,034,922	\$ (139,863)	\$ 30,534,111	\$ 8,938,309	\$ 1,034,799	\$ 9,973,108	\$ 20,561,003

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# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

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March 31, 2017

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### 16. Accumulated Surplus

	2017	2016
Unrestricted operating deficit	\$ (1,489,906)	\$ (876,496)
Equity in Tangible Capital Assets	16,977,052	16,972,918
Equity in Ottawa Trust Fund	302,344	281,587
Equity in Enterprise Fund	12,655,536	12,287,258
Equity in CMHC Replacement Reserve	302,701	274,971
Equity in Land Claims Settlement Trust Fund	6,386,900	6,332,149
Equity in Business Trust Fund	17,583,161	16,843,589
	<b>\$ 52,717,788</b>	<b>\$ 52,115,976</b>

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### 17. Contingent Liabilities

Chipewyan Prairie First Nation has been named as defendant in various legal proceedings. The Chipewyan Prairie First Nation is actively defending all lawsuits. As of March 31, 2017, it was not possible to determine the outcomes of these actions and no provision for possible loss has been included in these financial statements.

Government contributions related to the projects of the First Nation are subject to conditions regarding the expenditure of funds. The Nation's accounting records are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

### 18. CMHC Replacement Reserve

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the Nation is required to provide a replacement reserve. This reserve is to ensure replacement of buildings financed by Canada Mortgage and Housing Corporation. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by Canada Deposit Insurance Corporation, or as may otherwise be approved by Canada Mortgage and Housing Corporation. At March 31, 2017 the reserve is under funded by \$302,701 (2016 - \$274,971).

### 19. Budget Information

The budget information for the year ended March 31, 2017 is unaudited, prepared by management and has been approved by the Chief and Council.

### 20. Comparative Amounts

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current year.

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## Chipewyan Prairie First Nation

### Notes to Consolidated Financial Statements

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March 31, 2017

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#### 21. Expenditures by object

For the year ended March 31	2017 Budget	2017 Actual	2016 Actual
<b>Expenses by object</b>			
Administration fees	\$ 112,981	\$ 113,633	\$ 100,564
Advertising	-	313	15,367
Allowances - HRD	-	58,514	61,654
Amortization	-	1,024,965	1,034,800
Bad debts	-	-	15,483
Capital expenditures	500,000	2,108	-
Courses	70,000	81,694	161,959
Distribution to members	-	185,474	(50,221)
Insurance	73,600	146,134	161,486
Interest and bank charges	-	10,551	8,661
Interest on loans	50,000	78,426	84,275
Loss on disposal of assets	-	585,533	92,963
Materials and supplies	1,171,530	720,874	913,258
Meetings and travel	936,988	1,055,915	1,505,814
Office	22,500	57,425	79,613
Professional fees	155,000	356,303	439,493
Rent	20,000	30,238	65,377
Repairs and maintenance	-	41,314	80,384
Utilities and telephone	553,500	551,837	498,747
Vehicle	84,500	207,169	170,780
Wages and subcontractors	4,249,401	5,462,872	5,842,086
	\$ 8,000,000	\$ 10,771,292	\$ 11,282,543

#### 22. Economic Dependence

Chipewyan Prairie First Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous and Northern Affairs Canada and First Nation Inuit Health.

# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 23. Segmented information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounts Policies as described in Note 1. The segment results for the year are as follows:

	Amortization			Band government			Capital projects and housing		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
Revenues									
Indigenous and Northern Affairs Canada	-	-	-	351,500	350,552	381,310	284,000	283,900	483,900
CMHC subsidies	-	-	-	-	-	-	240,000	413,565	239,088
Chipewyan Prairie Business Trust	-	-	-	-	971,934	3,656,350	-	-	-
Social priorities - IRC	-	-	-	1,000,000	1,191,400	3,691,237	-	-	-
Transfers from (to) administration	-	-	-	(3,443,264)	(1,927,070)	(5,266,304)	1,769,000	-	2,666,421
Other revenue	-	-	-	3,329,164	3,652,346	822,524	-	73,693	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,237,400</b>	<b>4,239,162</b>	<b>3,285,117</b>	<b>2,293,000</b>	<b>771,158</b>	<b>3,389,409</b>
Expenses									
Amortization	-	1,024,965	1,034,800	-	-	-	-	-	-
Distribution to members	-	-	-	-	185,474	(50,221)	-	-	-
Materials and supplies	-	-	-	10,000	19,797	73,500	771,000	469,988	548,599
Meetings and travel	-	-	-	100,000	315,640	431,187	260,000	195,818	172,448
Wages and subcontractors	-	-	-	788,800	744,822	878,743	1,139,500	1,244,386	1,173,642
Other expenses	-	-	-	338,600	744,275	644,096	122,500	178,836	514,231
<b>Total expenses</b>	<b>-</b>	<b>1,024,965</b>	<b>1,034,800</b>	<b>1,237,400</b>	<b>2,010,008</b>	<b>1,977,305</b>	<b>2,293,000</b>	<b>2,089,028</b>	<b>2,408,920</b>
<b>Annual surplus (deficit)</b>	<b>-</b>	<b>(1,024,965)</b>	<b>(1,034,800)</b>	<b>-</b>	<b>2,229,154</b>	<b>1,307,812</b>	<b>-</b>	<b>(1,317,870)</b>	<b>980,489</b>



# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 23. Segmented information, continued

	Economic development			Education			Employment programs		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
Revenues									
Indigenous and Northern Affairs Canada	135,236	134,862	1,027,956	313,100	311,513	272,884	-	-	-
Transfers from (to) administration	887,264	1,866,799	1,536,754	106,000	-	318,446	-	-	-
Other revenue	-	196,088	200,789	-	55,842	12,000	120,000	116,340	116,338
Total revenue	1,022,500	2,197,749	2,765,499	419,100	367,355	603,330	120,000	116,340	116,338
Expenses									
Materials and supplies	105,000	105,074	145,542	20,100	18,474	26,968	-	5,850	10,722
Meetings and travel	207,500	230,351	440,784	24,000	27,356	106,457	-	8,935	6,517
Wages and subcontractors	415,000	1,554,408	1,857,887	344,000	317,017	416,341	50,000	54,713	41,840
Other expenses	295,000	307,916	321,286	31,000	32,512	53,564	70,000	142,479	230,041
Total expenses	1,022,500	2,197,749	2,765,499	419,100	395,359	603,330	120,000	211,977	289,120
Annual surplus (deficit)	-	-	-	-	(28,004)	-	-	(95,637)	(172,782)

# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 23. Segmented information, continued

	Health			Other			Public works		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
Revenues									
Indigenous and Northern Affairs Canada	-	-	-	-	-	-	504,000	502,714	563,826
Band funds	-	-	-	-	20,757	21,070	-	-	-
First Nation Inuit Health	1,200,000	1,155,153	1,050,419	-	-	-	-	-	-
First Nation Development Funds	-	-	-	500,000	96,194	1,021,431	-	-	-
Chipewyan Prairie Business Trust	-	-	-	-	739,572	(1,698,335)	-	-	-
Transfers from (to) administration	-	60,271	31,592	-	-	-	681,000	-	713,091
Other revenue	-	-	-	-	1,085,679	2,852,315	-	1,200	8,456
Total revenue	1,200,000	1,215,424	1,082,011	500,000	1,942,202	2,196,481	1,185,000	503,914	1,285,373
Expenses									
Materials and supplies	80,430	54,796	72,618	-	-	-	185,000	46,895	35,307
Meetings and travel	170,488	105,366	139,374	-	-	8,304	175,000	172,449	200,743
Wages and subcontractors	802,101	859,133	706,432	-	-	-	690,000	677,894	767,200
Other expenses	146,981	146,748	151,218	500,000	587,641	-	135,000	176,584	122,373
Total expenses	1,200,000	1,166,043	1,069,642	500,000	587,641	8,304	1,185,000	1,073,822	1,125,623
Annual surplus (deficit)	-	49,381	12,369	-	1,354,561	2,188,177	-	(569,908)	159,750

# Chipewyan Prairie First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 23. Segmented information, continued

	Social services			Consolidated totals		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
Revenues						
Indigenous and Northern Affairs Canada	-	-	-	1,587,836	1,583,541	2,729,876
Band Funds	-	-	-	-	20,757	21,070
First Nation Inuit Health	-	-	-	1,200,000	1,155,153	1,050,419
CMHC subsidies	-	-	-	240,000	413,565	239,088
First Nation Development Funds	-	-	-	500,000	96,194	1,021,431
Chipewyan Prairie Business Trust	-	-	-	-	1,711,506	1,958,015
Social priorities - IRC	-	-	-	1,000,000	1,191,400	3,691,237
Other revenue	23,000	19,800	-	3,472,164	5,200,988	4,012,422
Total revenue	23,000	19,800	-	8,000,000	11,373,104	14,723,558
Expenses						
Amortization	-	-	-	-	1,024,965	1,034,800
Distribution to members	-	-	-	-	185,474	(50,221)
Materials and supplies	-	-	-	1,171,530	720,874	913,256
Meetings and travel	-	-	-	936,988	1,055,915	1,505,814
Wages and subcontractors	20,000	10,500	-	4,249,401	5,462,873	5,842,085
Other expenses	3,000	4,200	-	1,642,081	2,321,191	2,036,809
Total expenses	23,000	14,700	-	8,000,000	10,771,292	11,282,543
Annual surplus (deficit)	-	5,100	-	-	601,812	3,441,015