



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

Kwadacha Nation
Consolidated Financial Statements
Index
For the year ended March 31, 2017

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Kwadacha Nation are the responsibility of management and have been approved by Chief and 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 Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.


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


The Chief and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and are ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council meet 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 auditors' report.

The external auditors, Price Waterhouse Coopers LLP, Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to management of Kwadacha Nation and meet when required.


On behalf of Kwadacha Nation


Chief


Deputy Chief


Councillor


Councillor


Councillor



INDEPENDENT AUDITORS' REPORT

To the Members of Kwadacha Nation

We have audited the accompanying financial statements of Kwadacha Nation, which comprise the statement of financial position as at March 31, 2017, and the statements of financial activities and accumulated surplus, change in net financial assets and of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITORS' REPORT, continued

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Kwadacha Nation as at March 31, 2017, and the results of operations, the changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.


Prince George, BC
July 28, 2017

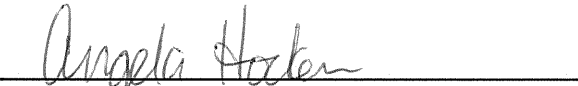
PricewaterhouseCoopers LLP
Chartered Professional Accountants


Kwadacha Nation
Statement of Financial Position
March 31, 2017

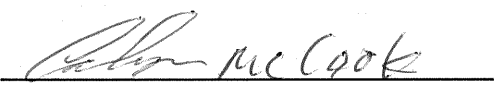
| | <u>2017</u> | <u>2016</u> |
|---|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash | \$2,195,374 | \$2,066,001 |
| Accounts Receivable (Note 2) | 1,362,673 | 1,165,279 |
| Inventory (Note 3) | 285,899 | 316,272 |
| Restricted Cash and Reserves (Note 4) | 20,529,263 | 18,485,508 |
| Ottawa Trust Assets (Note 5) | 120,725 | 117,178 |
| Mortgage Receivable (Note 6) | 87,030 | 91,280 |
| Investments (Note 7) | 1,053,520 | 1,155,739 |
| | <u>25,634,484</u> | <u>23,397,257</u> |
| LIABILITIES | | |
| Accounts Payable and Accrued Liabilities (Note 8) | 1,100,836 | 784,915 |
| Deferred Revenue (Note 9) | 3,742,704 | 2,303,718 |
| Reserves (Note 10) | 859,715 | 861,642 |
| Due to Kwadacha Education Society (Note 11) | 2,153,202 | 2,607,333 |
| Promissory Note Payable (Note 12) | 2,053,000 | - |
| Long-term Debt (Note 13) | 5,722,487 | 5,686,201 |
| | <u>15,631,944</u> | <u>12,243,810</u> |
| NET FINANCIAL ASSETS | <u>10,002,540</u> | <u>11,153,448</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Note 14) | 30,301,811 | 30,105,538 |
| Plant Under Construction (Note 15) | 5,304,866 | - |
| Prepaid Expenses | 5,501 | 28,653 |
| | <u>35,612,178</u> | <u>30,134,192</u> |
| ACCUMULATED SURPLUS (Note 16) | <u>\$45,614,718</u> | <u>\$41,287,640</u> |

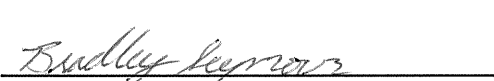
Approved on behalf of Kwadacha Nation


 Chief


 Deputy Chief


 Councillor


 Councillor


 Councillor

Kwadacha Nation
Statement of Financial Activities and Accumulated Surplus
For the year ended March 31, 2017

| | <u>2017</u> | <u>2016</u> |
|---|---------------------------|---------------------------|
| REVENUE | | |
| INAC | \$9,594,760 | \$5,552,320 |
| INAC - Deferred Revenue (Note 9) | (1,971,124) | - |
| Administration Fees | 61,593 | 205,736 |
| Government of Canada | 240,974 | 122,334 |
| FNESS - Fire Mitigation | 75,000 | - |
| Interest | 2,244,841 | (207,429) |
| Exchange Gains (Loss) | 34,535 | 11,871 |
| Investment Income (Loss) | (40,902) | (467,194) |
| First Nations Health Authority | 1,428,763 | 1,400,400 |
| BC Hydro Trust Funds Contribution | 2,081,749 | 1,342,814 |
| Rentals | 803,656 | 642,990 |
| Province of BC | 2,077,999 | 786,791 |
| Other Revenue | 2,038,735 | 2,368,460 |
| Wage Subsidy | 16,607 | 52,000 |
| Band Member Trust | 41,218 | 56,522 |
| Kwadacha Community Store | 2,686,923 | 2,439,412 |
| | <hr/> 21,415,325 | <hr/> 14,307,027 |
| EXPENDITURE | | |
| Administration | 1,310,043 | 1,378,522 |
| Education and Training | 23,529 | 2,277 |
| Income Assistance | 590,943 | 551,766 |
| Operations and Maintenance | 1,303,415 | 1,200,285 |
| Capital | 2,610,692 | 1,708,279 |
| Own Source | 5,477,058 | 5,082,697 |
| Health and Wellness | 1,858,228 | 1,876,222 |
| Settlement Negotiations | 910,494 | 1,838,734 |
| Band Member Trust | 29,790 | 49,924 |
| | <hr/> 14,114,193 | <hr/> 13,688,706 |
| EXCESS OF REVENUE OVER EXPENDITURE | 7,301,133 | 618,321 |
| Accumulated Surplus, Beginning of Year | 41,287,640 | 42,989,120 |
| Contribution - Kwadacha Education Society | (3,092,983) | (2,875,471) |
| Gain on Disposal of Equipment | 42,113 | - |
| Recoveries | 76,816 | 555,670 |
| ACCUMULATED SURPLUS, END OF YEAR | <hr/> \$45,614,718 | <hr/> \$41,287,640 |

Kwadacha Nation
Statement of Change in Net Financial Assets
March 31, 2017

| | <u>2017</u> | <u>2016</u> |
|--|----------------------------|----------------------------|
| EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE) | <u>\$4,327,079</u> | <u>(\$1,701,481)</u> |
| Tangible Capital Assets | | |
| Acquisition | (2,028,872) | (898,520) |
| Amortization | 1,531,712 | 1,481,610 |
| Gain on Disposal | (42,113) | - |
| Plant Under Construction | (5,304,866) | - |
| Proceeds from Disposal | 343,000 | - |
| | <u>(5,501,139)</u> | <u>583,090</u> |
| Use of Prepaid Expenses | <u>23,152</u> | <u>(15,772)</u> |
| Decrease in Net Financial Assets | (1,150,908) | (1,134,163) |
| NET FINANCIAL ASSETS, BEGINNING OF YEAR | <u>11,153,448</u> | <u>12,287,611</u> |
| NET FINANCIAL ASSETS, END OF YEAR | <u><u>\$10,002,540</u></u> | <u><u>\$11,153,448</u></u> |

Kwadacha Nation
Statement of Cash Flows
For the year ended March 31, 2017

| | <u>2017</u> | <u>2016</u> |
|---|----------------------------|----------------------------|
| OPERATING ACTIVITIES | | |
| Excess of Revenue over Expenditure (Expenditure over Revenue) | \$4,327,079 | (\$1,701,481) |
| Items not affecting cash: | | |
| Amortization | 1,531,712 | 1,481,610 |
| Gain on Disposal of Tangible Capital Assets | (42,113) | - |
| | <u>5,816,678</u> | <u>(219,871)</u> |
| Changes in non-cash working capital items: | | |
| Accounts Receivable | (193,439) | (60,329) |
| Inventory | 30,373 | (116,874) |
| Mortgage Receivable | 4,250 | 5,500 |
| Accounts Payable and Accrued Liabilities | 315,921 | 104,108 |
| Deferred Revenue | 1,438,986 | 532,094 |
| Prepaid Expenses | 23,152 | (15,772) |
| | <u>7,435,921</u> | <u>228,856</u> |
| FINANCING ACTIVITIES | | |
| Advances to Kwadacha Education Society | (454,131) | 94,227 |
| Proceeds of Promissory Note | 2,053,000 | - |
| Proceeds of Long-Term Debt | 552,476 | 260,951 |
| Repayment of Long-Term Debt | (516,190) | (422,547) |
| | <u>1,635,155</u> | <u>(67,369)</u> |
| INVESTING ACTIVITIES | | |
| Increase in Investments | 98,264 | 313,276 |
| Increase in Trust Funds | (3,547) | (3,622) |
| Purchase of Tangible Capital Assets | (2,028,872) | (898,520) |
| Purchase of Plant Under Construction | (5,304,866) | - |
| Proceeds on Disposal of Tangible Capital Assets | 343,000 | - |
| Reserves | (1,927) | 122,384 |
| | <u>(6,897,948)</u> | <u>(466,482)</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 2,173,128 | (304,995) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | <u>20,551,509</u> | <u>20,856,504</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u><u>\$22,724,637</u></u> | <u><u>\$20,551,509</u></u> |
| REPRESENTED BY: | | |
| Cash | \$2,195,374 | \$2,066,001 |
| Restricted Cash | 20,529,263 | 18,485,508 |
| | <u><u>\$22,724,637</u></u> | <u><u>\$20,551,509</u></u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

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 of the Canadian Institute of Chartered Accountants.

Reporting Entity and Principles of Financial Reporting

The Kwadacha Nation reporting entity includes the Kwadacha Nation government and all related entities which are either owned or controlled by Kwadacha Nation.

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 or government business partnership, which are included in these financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Kwadacha Nation's investment in the government business enterprise or government business partnership and their share of 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 Kwadacha Nation.

Kwadacha Nation CMHC Housing Program and Kwadacha Nation Settlement Negotiations Agreement are included in Kwadacha Nation's consolidated financial statements.

Government business enterprise, which are wholly or partly-owned by Kwadacha Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- 0936269 BC Ltd. (100%)
- Kwadacha Natural Resources GP Ltd. (100%)
- Obo Forest Management GP Ltd. (100%)
- Three Feathers GP Ltd. (33.33%)
- Chee Ventures Ltd. (33.33%)
- Kaska Energy Corp. (20%)

Government business partnerships of which Kwadacha Nation is the limited partner and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method, are as follows:

- Kwadacha Natural Resources Limited Partnership (99.99% interest)
- Three Feathers Limited Partnership (33.33% interest)
- Kaska Oil and Gas Services Limited Partnership (20% interest)
- Kaska Drilling Limited Partnership (20% interest)

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Cash

Cash includes cash on hand, cash on deposit net of cheques issued and outstanding at the reporting date, and short-term deposits with maturity dates of less than 90 days.

Inventory

Inventory is recorded at the lower of cost or net realizable value. Cost for retail inventory is valued using the FIFO method; cost for gravel is valued using the weighted average cost method.

Tangible Capital Assets and Amortization

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. Transfers of tangible capital assets from related parties are recorded at carrying value.

Tangible capital assets are amortized at rates calculated to amortize the cost less salvage value as follows:

| | |
|--------------------|-------------|
| Automotive | 30% |
| Buildings | 4% |
| Computer equipment | 30% |
| Equipment | 20% |
| Housing | 4% |
| Infrastructure | 4% |
| Renovations | 10 years SL |

In the year of acquisition, 50% of the annual amortization is expensed. Assets under construction are not amortized until the asset is available to be put into service.

Revenue and Expenditures

Revenue and expenditures are recorded using the accrual basis of accounting. Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. Gains are recognized when realized. Items not practically measurable until cash is received are accounted for at that time.

Government transfers are recognized as revenue 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 in which case are recognized as deferred revenue and 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.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Funding Recoveries and Reimbursements

Funding received from federal government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specified purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization and the collectability of accounts receivable. Actual results could differ from these estimates.

Liability for Contaminated Sites

Kwadacha Nation has adopted accounting standard PS 3260 - Liability for Contaminated Sites, effective for years beginning on or after April 1, 2014. The standard requires the Nation to identify contaminated sites which meet the requirements of the standard, specifically those sites where:

- i. An environmental standard exists
- ii. Contamination exceeds the environmental standards
- iii. The Nation is directly responsible or accepts responsibility
- iv. It is expected that future economic benefits will be given up and
- v. A reasonable estimate of the amount of those benefits can be made

As at the date of these financial statements no contaminated sites have been identified that meet the criteria outline in the standard.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

2. ACCOUNTS RECEIVABLE

| | <u>2017</u> | <u>2016</u> |
|--|---------------------|---------------------|
| Government: | | |
| Government of Canada | \$ 43,580 | \$ - |
| Province of British Columbia | 165,000 | 10,083 |
| Canada Mortgage and Housing Corporation | 2,587 | 2,587 |
| Canada Revenue Agency – Goods and Services Tax | <u>19,915</u> | <u>13,228</u> |
| | 231,082 | 25,898 |
| Kwadacha Nation Members | 40,812 | 74,546 |
| Trade Receivables | 635,759 | 404,620 |
| Other | <u>455,020</u> | <u>660,215</u> |
| | <u>\$ 1,362,673</u> | <u>\$ 1,165,279</u> |

3. INVENTORY

| | <u>2017</u> | <u>2016</u> |
|----------|-------------------|-------------------|
| Retail | 259,346 | 298,772 |
| Gravel | 8,236 | 17,500 |
| Jet Fuel | <u>18,317</u> | <u>-</u> |
| | <u>\$ 285,899</u> | <u>\$ 316,272</u> |

4. RESTRICTED CASH AND RESERVES

| | <u>2017</u> | <u>2016</u> |
|---|----------------------|----------------------|
| Restricted Cash and Reserves consists of: | | |
| Replacement Reserve | \$ 220,788 | \$ 200,105 |
| Capital Asset Reserve | 638,927 | 661,537 |
| Debt Reserve | 103,285 | - |
| Secured Revenues Trust Account | 313,330 | - |
| Victoria Foundation | 19,250,433 | 17,621,366 |
| Minister of Finance Security Deposit | <u>2,500</u> | <u>2,500</u> |
| | <u>\$ 20,529,263</u> | <u>\$ 18,485,508</u> |

Replacement Reserve

Under the terms of agreement # 17-496-969 with Canada Mortgage and Housing Corporation, the Nation must set aside funds in the amount of \$23,281 annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. At year end the replacement reserve is fully funded and is in compliance with the agreement with CMHC.

Capital Asset Reserve

The Capital Asset Reserve consists of internally restricted funds designated for the future acquisition of tangible capital assets in accordance with the Nation's capital plan.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

4. RESTRICTED CASH AND RESERVES, continued

Debt Reserve

Under the terms of a Borrowing Agreement with First Nations Finance Authority, five percent of the loan amount is withheld in the event that FNFA lacks sufficient funds to meet its obligations due to default in payment by the Nation. Upon extinguishment of the loan, the Debt Reserve, \$102,650 plus daily interest at 0.85%, will be repaid to the Nation.

Secured Revenues Trust Account

Under the terms of a Secured Revenues Trust Account Management Agreement with First Nations Finance Authority, a minimum debt service coverage ratio must be maintained with interest calculated monthly at 0.7%. Scheduled principal and interest payments are withdrawn in accordance with the Borrowing Agreement.

Victoria Foundation

Trust funds held on behalf of the Nation in an Endowment Fund created under the Endowment Fund Public Deed of Trust and a Payment Trustee Agreement between Kwadacha Nation, the Victoria Foundation and British Columbia and Power Authority dated November 28th, 2009, consisting of the following:

| | <u>2017</u> | <u>2016</u> |
|-----------------|----------------------|----------------------|
| Endowment Fund | \$ 17,312,244 | \$ 15,766,115 |
| Payment Trustee | <u>1,938,189</u> | <u>1,855,251</u> |
| | <u>\$ 19,250,433</u> | <u>\$ 17,621,366</u> |

5. OTTAWA TRUST ASSETS

| | <u>Revenue</u> | | <u>Capital</u> | | <u>2017</u> | | <u>2016</u> |
|----------------------------|-------------------|----|----------------|----|----------------|----|----------------|
| Balance, beginning of year | \$ 117,177 | \$ | 1 | \$ | 117,178 | \$ | 113,556 |
| Interest | 2,259 | | - | | 2,259 | | 361 |
| BC Special | <u>1,288</u> | | - | | <u>1,288</u> | | 884 |
| Balance, end of year | <u>\$ 120,724</u> | \$ | <u>1</u> | \$ | <u>120,725</u> | \$ | <u>117,178</u> |

The Ottawa Trust Accounts arise from monies from capital or revenue sources as outlined in Section 62 of the “Indian Act”. These funds are held in trust in the consolidated revenue fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the “Indian Act”.

6. MORTGAGE RECEIVABLE

Mortgage receivable from a band member on property located in Prince George, BC is non-interest bearing.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

7. INVESTMENTS (Appendix A)

| | <u>2017</u> | <u>2016</u> |
|---|-------------------|-------------------|
| 0936269 BC Ltd. (100%) | | |
| Advances | \$ 113,601 | \$ 121,624 |
| Equity | 469 | 3,792 |
| Shares | <u>100</u> | <u>100</u> |
| | <u>114,170</u> | <u>125,516</u> |
| Kwadacha Natural Resources GP Ltd. (100%) | | |
| Advances | (100) | (100) |
| Deficit | (9,008) | (5,090) |
| Shares | <u>100</u> | <u>100</u> |
| | <u>(9,008)</u> | <u>(5,090)</u> |
| Obo Forest Management GP Ltd. (100%) | | |
| Advances | (100) | (100) |
| Deficit | (5179) | (1,357) |
| Shares | <u>100</u> | <u>100</u> |
| | <u>(5,179)</u> | <u>(1,357)</u> |
| Three Feathers GP Ltd. (33.33%) | | |
| Advances | (100) | (100) |
| Equity | 25 | 17 |
| Shares | <u>100</u> | <u>100</u> |
| | <u>25</u> | <u>17</u> |
| Chee Ventures Ltd. (30.76%) | | |
| Advances | 64,544 | 47,250 |
| Equity | 2,872 | 2,241 |
| Shares | <u>40</u> | <u>40</u> |
| | <u>67,456</u> | <u>49,531</u> |
| Kaska Energy Corp. (20%) | | |
| Advances | 24,900 | 24,900 |
| Shares | <u>100</u> | <u>100</u> |
| | <u>25,000</u> | <u>25,000</u> |
| Balance forward | <u>\$ 192,464</u> | <u>\$ 193,617</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

7. INVESTMENTS (Appendix A), continued

| | <u>2017</u> | <u>2016</u> |
|---|---------------------|---------------------|
| Balance forward | \$ <u>192,464</u> | \$ <u>193,617</u> |
| Kwadacha Natural Resources Limited Partnership (99.99%) | | |
| Advances | 1,303,261 | 1,103,031 |
| Deficit | (259,398) | (140,868) |
| Units | <u>99</u> | <u>99</u> |
| | <u>1,043,962</u> | <u>962,262</u> |
| Three Feathers Limited Partnership (33.33%) | | |
| Equity | 128,630 | 110,579 |
| Units | <u>33</u> | <u>33</u> |
| | <u>128,663</u> | <u>110,612</u> |
| Kaska Oil and Gas Services Limited Partnership (20%) | | |
| Advances | - | - |
| Deficit | (66,707) | (66,707) |
| Shares | <u>-</u> | <u>-</u> |
| | <u>(66,707)</u> | <u>(66,707)</u> |
| Kaska Drilling Limited Partnership (20%) | | |
| Advances | - | - |
| Deficit | (46,984) | (46,984) |
| Shares | <u>-</u> | <u>-</u> |
| | <u>(46,984)</u> | <u>(46,984)</u> |
| Obo Forest Management Limited Partnership | | |
| Advances | <u>(550,000)</u> | <u>2939</u> |
| Claw Mountain Outfitters LLP (50%) | | |
| Advances | <u>352,122</u> | <u>-</u> |
| | <u>\$ 1,053,520</u> | <u>\$ 1,155,739</u> |

Shares and partnership units of the government business enterprises above are held by Kwadacha Nation, as represented by Chief and Council, on behalf of and for the benefit of the Kwadacha Nation membership.

0936269 BC Ltd. is a holding company for the building at 497 Third Avenue, Prince George, BC which is rented to Kwadacha Nation.

Kwadacha Natural Resources GP Ltd. is the general partner in Kwadacha Natural Resources Limited Partnership, Kwadacha Air Limited Partnership and Kwadacha Green Energy Limited Partnership and holds one partnership unit in each.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

7. INVESTMENTS (Appendix A), continued

Obo Forest Management GP Ltd. is the general partner in Obo Forest Management Limited Partnership and holds one partnership unit.

Three Feathers GP Ltd. is the general partner in Three Feathers Limited Partnership and holds one partnership unit.

Chee Ventures Ltd. operates a guide outfitter in the central interior of British Columbia.

Kwadacha Natural Resources Limited Partnership is the limited partner in Obo Forest Management Limited Partnership, Kwadacha Air Limited Partnership and Kwadacha Green Energy Limited Partnership and holds ninety-nine partnership units in each.

Obo Forest Management Limited Partnership holds Non-Replaceable Forest License FL A94353 and is actively involved in forestry in the central interior of British Columbia.

Three Feathers Limited Partnership is actively involved in logging operations in the central interior of British Columbia.

Kwadacha Air Limited Partnership, in joint venture with North Cariboo Air Ltd., operates a charter service for the community of Fort Ware.

Kwadacha Green Energy Limited Partnership operates the community biomass plant.

Kwadacha Nation holds a one-fifth interest in Kaska Energy Corp. Kaska Oil and Gas Limited Partnership and Kaska Drilling Limited Partnership, all of which are currently inactive.

Advances due from 0936269 BC Ltd. are unsecured, non-interest bearing with no specific terms of repayment.

Advances due from Chee Ventures Ltd. are unsecured, non-interest bearing with no specific terms of repayment.

Advances due from Kaska Energy Corp. are unsecured, non-interest bearing with no specific terms of repayment.

Advances due from Kwadacha Natural Resources Limited Partnership are unsecured, non-interest bearing with no specific terms of repayment.

Condensed financial information for the government business enterprises is presented in Appendix A to the financial statements.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | <u>2017</u> | <u>2016</u> |
|--|----------------------------|--------------------------|
| Trade payables | \$ 799,263 | \$ 480,290 |
| Accrued wages and payroll deductions payable | 25,746 | 24,529 |
| Other accrued liabilities | <u>275,827</u> | <u>280,096</u> |
| | <u>\$ 1,100,836</u> | <u>\$ 784,915</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

9. DEFERRED REVENUE

| | <u>2017</u> | <u>2016</u> |
|--|---------------------|---------------------|
| School Expansion Reimbursement – ICMS#9-00126490 | \$ 200,000 | \$ - |
| Immediate Needs Lot Servicing – ICMS#9-00126213 | 250,000 | - |
| Waste Water System Replacement – ICMS#9-00126374 | 582,542 | - |
| Immediate Needs Renovations – ICMS#9-00126214 | 44,036 | - |
| Immediate Needs Multi-Unit – ICMS#9-00126213 | <u>894,546</u> | <u>-</u> |
| | 1,971,124 | - |
| BC Hydro Aboriginal Relations and Negotiations | 1,771,580 | 2,291,468 |
| Hunt Deposits | <u>-</u> | <u>12,250</u> |
| | <u>\$ 3,742,704</u> | <u>\$ 2,303,718</u> |

Kwadacha Nation has recorded the above as deferred revenue to be used in the completion of capital projects and delivery of future programs.

10. RESERVES

| | <u>2017</u> | <u>2016</u> |
|-----------------------|-------------------|-------------------|
| Replacement Reserve | \$ 220,788 | \$ 200,105 |
| Capital Asset Reserve | <u>638,927</u> | <u>661,537</u> |
| | <u>\$ 859,715</u> | <u>\$ 861,642</u> |

Capital Asset Reserve

The Capital Asset Reserve consists of internally restricted funds designated for the future acquisition of tangible capital assets in accordance with the Nation's capital plan.

Replacement Reserve

Under the terms of agreement # 17-496-969 with Canada Mortgage and Housing Corporation, the Nation must set aside funds in the amount of \$23,281 annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. At year end the replacement reserve is fully funded and is in compliance with the agreement with CMHC.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

11. DUE TO KWADACHA EDUCATION SOCIETY

Amount due to Kwadacha Education Society is unsecured, non-interest bearing with no specific terms of repayment. Kwadacha Nation advanced (charged) the Society the following during the year:

| | <u>2017</u> | <u>2016</u> |
|--------------------------|---------------------|---------------------|
| Aboriginal Headstart | \$ 128,854 | \$ 133,240 |
| Education Support | 106,508 | 73,868 |
| Financial Assistance | 9,635 | 7,370 |
| Guidance and Counselling | 19,869 | 14,472 |
| Instructional Services | 1,843,778 | 2,414,163 |
| Post-Secondary | 197,456 | 137,418 |
| Teacherages | 95,619 | 94,940 |
| Transportation | 50,735 | - |
| Administration Fees | <u>(60,000)</u> | <u>(60,000)</u> |
| | <u>\$ 2,392,454</u> | <u>\$ 2,815,471</u> |

12. PROMISSORY NOTE

| | <u>2017</u> | <u>2016</u> |
|---|---------------------|-------------|
| Note payable to First Nation Finance Authority for interim financing obtained for the construction of a biomass plant, due the earlier of (a) five years from the first principal amount drawdown (May 11, 2021), (b) the date of completion of the plant (April 21, 2017), or (c) the date upon which the Authority issues debt securities to replace the interim financing, secured by reserves established in accordance with an agreement with First Nation Finance Authority | <u>\$ 2,053,000</u> | <u>\$ -</u> |

13. LONG-TERM DEBT

| | <u>2017</u> | <u>2016</u> |
|---|-------------------|-------------------|
| Mortgage, repayable in monthly instalments of \$3,434 including interest at 2.11% per annum, secured by a Government of Canada ministerial guarantee, matures September 1, 2018 | \$ 60,792 | \$ 100,275 |
| Mortgage, repayable in monthly instalments of \$3,047 including interest at 1.98% per annum, secured by a Government of Canada ministerial guarantee, matures April 1, 2019 | 74,575 | 109,298 |
| Mortgage, repayable in monthly instalments of \$3,671 including interest at 0.79% per annum, secured by a Government of Canada ministerial guarantee, matures April 1, 2018 | <u>47,505</u> | <u>90,998</u> |
| Balance forward | <u>\$ 182,872</u> | <u>\$ 300,571</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

13. LONG-TERM DEBT, continued

| | <u>2017</u> | <u>2016</u> |
|---|----------------------------|----------------------------|
| Balance forward | <u>\$ 182,872</u> | <u>\$ 300,571</u> |
| Mortgage, repayable in monthly instalments of \$1,163 including interest at 2.59% per annum, secured by a Government of Canada ministerial guarantee, matures February 1, 2021 | 162,617 | 172,220 |
| Mortgage, repayable in monthly instalments of \$2,917, including interest at 2.24% per annum, secured by a Government of Canada ministerial guarantee, matures April 1, 2020 | 519,050 | 542,142 |
| Mortgage, repayable in monthly instalments of \$1,764 including interest at 2.59% per annum, secured by a Government of Canada ministerial guarantee, matures July 1, 2017 | 191,698 | 207,672 |
| Mortgage, repayable in monthly instalments of \$2,321 including interest at 3.36% per annum, secured by a Government of Canada ministerial guarantee, matures December 30, 2018 | 355,015 | 369,316 |
| Mortgage, repayable in monthly instalments of \$5,518 including interest at 2.56% per annum, secured by a Government of Canada ministerial guarantee, matures January 1, 2021 | 522,439 | 574,553 |
| Mortgage, repayable in monthly instalments of \$765 including interest at 2.98% per annum, secured by a Government of Canada ministerial guarantee, matures April 1, 2019 | 82,118 | 88,741 |
| Mortgage, repayable in monthly instalments of \$5,119 including interest at 3.44% per annum, secured by a Government of Canada ministerial guarantee, matures August 1, 2018 | 930,062 | 958,942 |
| Mortgage repayable in monthly instalments of \$4,900 including interest at 2.99% per annum, secured by a Government of Canada ministerial guarantee, matures November 1, 2019 | <u>967,100</u> | <u>996,499</u> |
| Balance forward | <u>\$ 3,912,971</u> | <u>\$ 4,210,656</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

13. LONG-TERM DEBT, continued

| | <u>2017</u> | <u>2016</u> |
|--|---------------------|---------------------|
| Balance forward | \$ <u>3,912,971</u> | \$ <u>4,210,656</u> |
| Demand loan, repayable in monthly instalments of \$10,100 including interest at prime plus 1.75% per annum, matures July 17, 2017 | 1,046,374 | 1,119,376 |
| Demand loan, repayable in monthly instalments of \$1,050 including interest at 8.25% per annum, matures August 16, 2021 | 45,912 | - |
| Demand loan, repayable in monthly instalments of \$500 including interest at 7.00% per annum, matures August 16, 2021 | 22,551 | - |
| Demand loan, repayable in monthly instalments of \$2,850 including interest at 4.15% per annum, matures April 4, 2017 | - | 32,831 |
| Conditional sales contract repayable in monthly instalments of \$881 including interest at 5.96% per annum, secured by equipment with a net book value of \$16,490, matures December 15, 2019 | 26,681 | 35,316 |
| Conditional sales contract repayable in monthly instalments of \$1,245 including interest at 6.29% per annum, secured by equipment with a net book value of \$18,649, matures February 27, 2019 | 26,786 | 39,630 |
| Conditional sales contract repayable in monthly instalments of \$4,375 including interest at 3.24% per annum secured by equipment with a net book value of \$216,490, matures March 7, 2022 | 242,000 | - |
| Conditional sales contract repayable in monthly instalments of \$7,918 including interest at 3.03% per annum, secured by equipment with a net book value of \$531,546, matures September 6, 2021 | 399,211 | - |
| Conditional sales contract repayable in monthly instalments of \$5,127 including interest at 6.25% per annum | - | 248,393 |
| | <u>\$ 5,722,487</u> | <u>\$ 5,686,201</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

13. LONG-TERM DEBT, continued

Principal repayments due in each of the next five years are scheduled as follows:

| | | |
|------|----|------------------|
| 2018 | \$ | 549,510 |
| 2019 | | 504,195 |
| 2020 | | 446,269 |
| 2021 | | 450,478 |
| 2022 | | <u>405,319</u> |
| | \$ | <u>2,355,771</u> |

14. TANGIBLE CAPITAL ASSETS (Appendix B)

| | | | <u>2017</u> | <u>2016</u> |
|---------------------|----------------------|-------------------------------------|---------------------------|---------------------------|
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net Book Value</u> | <u>Net Book Value</u> |
| Automotive | \$ 1,423,191 | \$ 545,017 | \$ 878,173 | \$ 403,933 |
| Band Housing | 9,113,041 | 2,621,465 | 6,491,576 | 6,762,058 |
| CMHC Housing | 2,224,775 | 1,372,196 | 852,579 | 888,104 |
| Community Buildings | 10,547,994 | 2,218,310 | 8,329,684 | 8,197,212 |
| Computer Equipment | 308,301 | 281,391 | 26,910 | 19,881 |
| Equipment | 391,567 | 193,225 | 198,342 | 172,031 |
| Infrastructure | | | | |
| ACRS | 155,051 | 17,590 | 137,461 | 40,698 |
| Electrical | 470,260 | 86,823 | 383,437 | 399,414 |
| PDP | 60,084 | 31,353 | 28,731 | 29,928 |
| Waste Disposal | 1,453,950 | 250,147 | 1,203,803 | 1,237,775 |
| Wastewater Systems | 727,222 | 85,057 | 642,165 | 668,922 |
| Water Systems | 1,441,754 | 480,986 | 960,768 | 1,000,799 |
| Renovations | 2,612,885 | 1,821,304 | 791,581 | 557,492 |
| School | 5,100,993 | 2,630,394 | 2,470,599 | 2,573,541 |
| Store | 1,951,630 | 909,526 | 1,042,104 | 1,085,524 |
| Store Equipment | 281,342 | 155,585 | 125,757 | 124,329 |
| Subdivision | 6,547,063 | 1,608,916 | 4,938,147 | 5,143,903 |
| Guiding Territories | <u>799,994</u> | <u>-</u> | <u>799,994</u> | <u>799,994</u> |
| | <u>\$ 45,611,097</u> | <u>\$ 15,309,286</u> | <u>\$ 30,301,811</u> | <u>\$ 30,105,539</u> |

15. PLANT UNDER CONSTRUCTION

Plant under construction consists of a community biomass facility with construction near completion. On April 21, 2017, the plant became operational under an Electricity Purchase Agreement with BC Hydro and the asset was transferred to Kwadacha Green Energy Limited Partnership.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

16. ACCUMULATED SURPLUS

| | <u>2017</u> | <u>2016</u> |
|---|----------------------|----------------------|
| Accumulated surplus on the summary statement of financial position consists of the following: | | |
| Surplus (Note 17) | \$ 28,302,474 | \$ 25,521,525 |
| Endowment Fund (Restricted) | <u>17,312,244</u> | <u>15,766,115</u> |
| | <u>\$ 45,614,718</u> | <u>\$ 41,287,640</u> |

17. SURPLUS

| | <u>2017</u> | <u>2016</u> |
|------------------------------|----------------------|----------------------|
| Operations Fund | \$ 584,545 | \$ 386,907 |
| Capital Fund | 24,655,349 | 22,216,717 |
| CMHC Housing Fund | (43,438) | (113,645) |
| Health and Wellness Fund | 22,101 | 528 |
| Investment Fund | 798,204 | 839,107 |
| Own Source Revenue Fund | 772,701 | 1,090,174 |
| Settlement Negotiations Fund | <u>18,825,256</u> | <u>16,867,852</u> |
| | 45,614,718 | 41,287,640 |
| Less: Endowment Fund | <u>(17,312,244)</u> | <u>(15,766,115)</u> |
| | <u>\$ 28,302,474</u> | <u>\$ 25,521,525</u> |

18. CONTINGENT LIABILITIES

Kwadacha Nation has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements. The amount of the liability related to current year funding, if any, of the Nation is not determinable at this time.

The Nation may have future silviculture commitments for government business enterprise owned forest licences if future costs exceed current estimates. The amount of the liability, if any, is not determinable at this time.

19. RECONCILIATION OF AANDC FUNDING AGREEMENT REVENUE

Pursuant to the instructions provided by Indigenous and Northern Affairs Canada Financial Reporting Requirements for the fiscal period 2016-2017, the following reconciliation has been prepared:

| | |
|--|---------------------|
| Recipient total as per 2016/2017 INAC funding confirmation | \$ 9,594,760 |
| Variance | <u>-</u> |
| Recipient total as per financial statements | <u>\$ 9,594,760</u> |

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

20. ECONOMIC DEPENDENCE

The Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous and Northern Affairs Canada (INAC) and First Nations Health Authority (FNHA). Any disruption in this funding would have a negative effect on the Nation's operations.

21. GOVERNMENT TRANSFERS

| | <u>2017</u> | | | <u>2016</u> | | |
|----------------|---------------------|---------------------|----------------------|---------------------|-------------------|---------------------|
| | <u>Operating</u> | <u>Capital</u> | <u>Total</u> | <u>Operating</u> | <u>Capital</u> | <u>Total</u> |
| INAC | \$ 5,544,512 | \$ 4,050,248 | \$ 9,594,760 | \$ 5,210,569 | \$ 341,751 | \$ 5,552,320 |
| FNHA | 1,428,763 | - | 1,428,763 | 1,400,400 | - | 1,400,400 |
| CMHC | 31,028 | - | 31,028 | 31,028 | - | 31,028 |
| GOV'T CANADA | 91,306 | 118,640 | 209,946 | 91,306 | - | 91,306 |
| | <u>7,095,609</u> | <u>4,168,888</u> | <u>11,264,497</u> | <u>6,733,303</u> | <u>341,751</u> | <u>7,075,054</u> |
| Province of BC | 1,027,999 | 1,050,000 | 2,077,999 | 786,791 | - | 786,791 |
| | <u>\$ 8,123,608</u> | <u>\$ 5,218,888</u> | <u>\$ 13,342,496</u> | <u>\$ 7,520,094</u> | <u>\$ 341,751</u> | <u>\$ 7,861,845</u> |

22. RELATED PARTY TRANSACTIONS

During the year, the Nation paid rent in the amount of \$45,000 (2016 \$45,000) to 0936269 BC Ltd., at fair market value in the normal course of operations.

23. FINANCIAL INSTRUMENTS

The Nation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include the following:

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation has a history of dealing with its funding agencies and customer base and does not believe it is exposed to an unusual level of credit risk with respect to its accounts receivable.

The Nation maintains its cash and deposits with federally regulated Canadian financial institutions, and thus has not experienced any change in risk exposure.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Nation's long-term debt is at fixed rates of interest therefore, a change in market interest rates has no impact to cash flows required to service this debt. The term demand loan and operating line of credit are subject to floating rates of interest. A change in the variable rate can impact cash flow to service the debt when such debt is outstanding. There has been no change to the risk exposure from 2016 and there is expected to be no substantive change in the next fiscal period.

Kwadacha Nation
Notes to the Consolidated Financial Statements
Year Ended March 31, 2017

24. SEGMENT DISCLOSURE (Appendix C)

Kwadacha Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both 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 Accounting Policies in Note 1. The segments and services provided are as follows:

Administration - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Education and Training - provides elementary and secondary education instructional services and provides financial support to Post Secondary students;

Income Assistance - provides programs and services for the social benefit and welfare of Nation members;

Operations and Maintenance - manages community and facilities operations and maintenance including capital projects, municipal services, water and waste water operations, roads, fire protection, and maintenance of community buildings;

Capital - provides for capital infrastructure development;

Own Source - provides for a variety of non-funded local services;

Housing - provides housing and services to Nation members;

Health and Wellness - provides a variety of health care programs, services and support to Nation members;

Settlement Negotiations - provide programs and services not otherwise funded for the social, economic and capital needs of Nation members.

25. EXPENSES BY OBJECT (Appendix D)

26. SUBSEQUENT EVENT

The Plant under Construction was transferred at fair market value to Kwadacha Green Energy Limited Partnership as of its commercial operation date, April 21st, 2017.

27. COMPARATIVE AMOUNTS

Certain of the prior year amounts have been reclassified to conform to the current year presentation.

Kwadacha Nation
Investments in Government Business Enterprises
Condensed Financial Information
Year Ended March 31, 2017

Appendix A

| | 0936269 BC <u>Ltd.</u> | Kwadacha Natural Resources <u>GP Ltd.</u> | Obo Forest Management <u>GP Ltd.</u> | Three Feathers <u>GP Ltd.</u> | Chee Ventures <u>Ltd.</u> | Kwadacha Natural Resources Limited <u>Partnership</u> | Three Feathers Limited <u>Partnership</u> | Kaska Oil and Gas Services Limited <u>Partnership</u> | Kaska Drilling Limited <u>Partnership</u> | <u>2017</u> | <u>2016</u> |
|---|---------------------------|---|--|-------------------------------------|---------------------------------|--|--|--|--|---------------------|---------------------|
| Assets | | | | | | | | | | | |
| Financial assets | \$ - | \$ 100 | \$ 100 | \$ 300 | \$ - | \$ 233,763 | \$ 330,911 | \$ 150,642 | \$ 9,403 | \$ 565,174 | \$ 574,974 |
| Tangible capital assets | 341,217 | - | - | - | 79,758 | 875,366 | - | - | - | 1,296,341 | 1,366,006 |
| Other assets | - | - | 5,031 | 83 | - | 632,182 | - | - | - | 637,296 | 799,689 |
| Total Assets | <u>\$ 341,217</u> | <u>\$ 100</u> | <u>\$ 5,131</u> | <u>\$ 383</u> | <u>\$ 79,758</u> | <u>\$ 1,741,311</u> | <u>\$ 330,911</u> | <u>\$ 150,642</u> | <u>\$ 9,403</u> | <u>\$ 2,498,811</u> | <u>\$ 2,740,669</u> |
| Liabilities | \$ 2,047 | \$ 2,662 | \$ 2,200 | \$ 8 | \$ 600 | \$ 129,213 | \$ 4,878 | \$ 2,496 | \$ 10,344 | \$ 141,608 | \$ 301,010 |
| Debt | - | - | - | - | - | 156,762 | - | - | - | 156,762 | 215,336 |
| Contributed surplus | 225,000 | - | - | - | - | - | - | - | - | 225,000 | 225,000 |
| (Deficit) Equity | <u>569</u> | <u>(8,908)</u> | <u>(5,079)</u> | <u>375</u> | <u>14,613</u> | <u>(259,760)</u> | <u>326,033</u> | <u>-</u> | <u>-</u> | <u>67,843</u> | <u>189,818</u> |
| Total liabilities and equity | <u>\$ 227,616</u> | <u>\$ (6,246)</u> | <u>\$ (2,879)</u> | <u>\$ 383</u> | <u>\$ 15,213</u> | <u>\$ 26,215</u> | <u>\$ 330,911</u> | <u>\$ 2,496</u> | <u>\$ 10,344</u> | <u>\$ 591,213</u> | <u>\$ 931,163</u> |
| Related party loans | <u>\$ 113,601</u> | <u>\$ 6,346</u> | <u>\$ 8,010</u> | <u>\$ -</u> | <u>\$ 64,545</u> | <u>\$ 1,715,096</u> | <u>\$ -</u> | <u>\$ 148,146</u> | <u>\$ (941)</u> | <u>\$ 1,907,598</u> | <u>\$ 1,809,506</u> |
| External related party loans | \$ - | \$ 6,346 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,346 | \$ - |
| Inter-entidy loans | - | - | 8,010 | - | - | 606,518 | - | - | - | 614,528 | 835,081 |
| Kwadacha Nation advances | <u>113,601</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>64,545</u> | <u>1,108,578</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,286,724</u> | <u>972,393</u> |
| Related party loans | <u>\$ 113,601</u> | <u>\$ 6,346</u> | <u>\$ 8,010</u> | <u>\$ -</u> | <u>\$ 64,545</u> | <u>\$ 1,715,096</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,907,598</u> | <u>\$ 1,807,474</u> |
| Revenue | <u>\$ 45,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 26</u> | <u>\$ 1,895</u> | <u>\$ 1,356,786</u> | <u>\$ 447,614</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,851,321</u> | <u>\$ 1,941,697</u> |
| Expenses | 36,977 | 2,721 | 2,759 | - | - | 1,372,862 | 183,435 | - | - | 1,598,754 | 1,351,981 |
| Amortization | 11,865 | - | - | - | - | 211,332 | - | - | - | 223,197 | 169,142 |
| Interest | - | - | - | - | - | - | - | - | - | - | 55 |
| Corporate income tax | <u>(519)</u> | <u>-</u> | <u>-</u> | <u>3</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(516)</u> | <u>1,433</u> |
| Total expenses | <u>48,323</u> | <u>2,721</u> | <u>2,759</u> | <u>3</u> | <u>-</u> | <u>1,584,194</u> | <u>183,435</u> | <u>-</u> | <u>-</u> | <u>1,821,435</u> | <u>1,522,611</u> |
| (Loss) Income Before Other Income (Charges) | (3,323) | (2,721) | (2,759) | 23 | 1,895 | (227,408) | 264,179 | - | - | 29,886 | 419,086 |
| Other Income (Charges) | <u>-</u> | <u>(1,197)</u> | <u>(1,063)</u> | <u>-</u> | <u>-</u> | <u>107,681</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>105,421</u> | <u>(512,893)</u> |
| Net (loss) income | <u>\$ (3,323)</u> | <u>\$ (3,918)</u> | <u>\$ (3,822)</u> | <u>\$ 23</u> | <u>\$ -</u> | <u>\$ (119,727)</u> | <u>\$ 264,179</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 29,886</u> | <u>\$ 419,086</u> |
| Kwadacha Natural Resources GP Ltd. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,197) | \$ - | \$ - | \$ - | \$ (1,197) | \$ (451) |
| Kwadacha Nation | <u>(3,323)</u> | <u>(3,918)</u> | <u>(3,822)</u> | <u>8</u> | <u>632</u> | <u>(118,530)</u> | <u>88,051</u> | <u>-</u> | <u>-</u> | <u>(40,902)</u> | <u>(336,081)</u> |
| | <u>\$ (3,323)</u> | <u>\$ (3,918)</u> | <u>\$ (3,822)</u> | <u>\$ 8</u> | <u>\$ 632</u> | <u>\$ (119,727)</u> | <u>\$ 88,051</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (42,099)</u> | <u>\$ (336,532)</u> |

*Kwadacha Nation
Tangible Capital Assets
March 31, 2017*

Appendix B

| | COST | | | | ACCUMULATED AMORTIZATION | | | | NET BOOK |
|---------------------|--------------------|--------------|------------|---------------------------|--------------------------|--------------|------------|---------------------------|---------------|
| | Opening Balance | Additions | Disposals | Balance End of Year | Opening Balance | Amortization | Disposals | Balance End of Year | VALUE |
| | | | | | | | | | 2017 |
| Automotive | \$ 1,258,358 | \$ 948,284 | \$ 783,451 | \$ 1,423,191 | \$ 854,425 | \$ 173,156 | \$ 482,564 | \$ 545,018 | \$ 878,174 |
| Band Housing | 9,113,041 | - | - | 9,113,041 | 2,350,982 | 270,482 | - | 2,621,465 | 6,491,576 |
| CMHC Housing | 2,224,775 | - | - | 2,224,775 | 1,336,671 | 35,524 | - | 1,372,196 | 852,579 |
| Community Buildings | 10,078,239 | 469,756 | - | 10,547,994 | 1,881,027 | 337,284 | - | 2,218,310 | 8,329,684 |
| Computer Equipment | 293,014 | 15,287 | - | 308,301 | 273,133 | 8,257 | - | 281,391 | 26,911 |
| Equipment | 323,500 | 68,067 | - | 391,567 | 151,468 | 41,757 | - | 193,225 | 198,342 |
| Infrastructure | | | | | | | | | |
| ACRS | 54,652 | 100,399 | - | 155,051 | 13,954 | 3,636 | - | 17,590 | 137,461 |
| Electrical | 470,260 | - | - | 470,260 | 70,846 | 15,977 | - | 86,823 | 383,437 |
| PDP | 60,084 | - | - | 60,084 | 30,156 | 1,197 | - | 31,353 | 28,731 |
| Waste Disposal | 1,438,094 | 15,856 | - | 1,453,950 | 200,319 | 49,828 | - | 250,147 | 1,203,803 |
| Wastewater Systems | 727,222 | - | - | 727,222 | 58,300 | 26,757 | - | 85,057 | 642,165 |
| Water Systems | 1,441,754 | - | - | 1,441,754 | 440,955 | 40,032 | - | 480,986 | 960,767 |
| Renovations | 2,231,582 | 381,304 | - | 2,612,885 | 1,674,089 | 147,215 | - | 1,821,304 | 791,581 |
| School | 5,100,993 | - | - | 5,100,993 | 2,527,452 | 102,942 | - | 2,630,394 | 2,470,599 |
| Store | 1,951,630 | - | - | 1,951,630 | 866,105 | 43,421 | - | 909,526 | 1,042,104 |
| Store Equipment | 251,422 | 29,920 | - | 281,342 | 127,093 | 28,491 | - | 155,585 | 125,758 |
| Subdivision | 6,547,063 | - | - | 6,547,063 | 1,403,159 | 205,756 | - | 1,608,916 | 4,938,147 |
| | 43,565,682 | 2,028,872 | 783,451 | 44,811,103 | 14,260,138 | 1,531,712 | 482,564 | 15,309,286 | 29,501,817 |
| Guiding Territory | 799,994 | - | - | 799,994 | - | - | - | - | 799,994 |
| | \$ 44,365,676 | \$ 2,028,872 | \$ 783,451 | \$ 45,611,097 | \$ 14,260,138 | \$ 1,531,712 | \$ 482,564 | \$ 15,309,286 | \$ 30,301,811 |

| | COST | | | | ACCUMULATED AMORTIZATION | | | | NET BOOK |
|---------------------|--------------------|------------|-----------|---------------------------|--------------------------|--------------|-----------|---------------------------|-----------------|
| | Opening Balance | Additions | Disposals | Balance End of Year | Opening Balance | Amortization | Disposals | Balance End of Year | VALUE |
| | | | | | | | | | 2016 |
| Automotive | \$ 962,188 | \$ 296,170 | \$ - | \$ 1,258,358 | \$ 744,776 | \$ 109,649 | \$ - | \$ 854,425 | \$ 403,933 |
| Band Housing | 9,113,041 | - | - | 9,113,041 | 2,069,230 | 281,752 | - | 2,350,982 | 6,762,058 |
| CMHC Housing | 2,224,775 | - | - | 2,224,775 | 1,299,667 | 37,004 | - | 1,336,671 | 888,104 |
| Community Buildings | 10,047,693 | 30,546 | - | 10,078,239 | 1,540,113 | 340,914 | - | 1,881,027 | 8,197,212 |
| Computer Equipment | 284,614 | 8,400 | - | 293,014 | 266,413 | 6,720 | - | 273,133 | 19,881 |
| Equipment | 303,015 | 20,485 | - | 323,500 | 110,050 | 41,418 | - | 151,468 | 172,032 |
| Infrastructure | | | | | | | | | |
| ACRS | 54,652 | - | - | 54,652 | 12,259 | 1,696 | - | 13,954 | 40,698 |
| Electrical | 470,260 | - | - | 470,260 | 54,204 | 16,642 | - | 70,846 | 399,414 |
| PDP | 60,084 | - | - | 60,084 | 28,909 | 1,247 | - | 30,156 | 29,928 |
| Waste Disposal | 1,168,532 | 269,562 | - | 1,438,094 | 154,361 | 45,958 | - | 200,319 | 1,237,775 |
| Wastewater Systems | 727,222 | - | - | 727,222 | 30,428 | 27,872 | - | 58,300 | 668,922 |
| Water Systems | 1,414,619 | 27,135 | - | 1,441,754 | 399,820 | 41,135 | - | 440,955 | 1,000,799 |
| Renovations | 2,035,990 | 195,592 | - | 2,231,582 | 1,542,190 | 131,899 | - | 1,674,089 | 557,492 |
| School | 5,100,993 | - | - | 5,100,993 | 2,420,221 | 107,231 | - | 2,527,452 | 2,573,541 |
| Store | 1,942,103 | 9,527 | - | 1,951,630 | 821,074 | 45,032 | - | 866,105 | 1,085,525 |
| Store Equipment | 251,422 | - | - | 251,422 | 95,127 | 31,966 | - | 127,093 | 124,329 |
| Subdivision | 6,505,961 | 41,102 | - | 6,547,063 | 1,189,686 | 213,473 | - | 1,403,159 | 5,143,903 |
| | 42,667,163 | 898,520 | - | 43,565,682 | # 12,778,528 | 1,481,609 | - | 14,260,138 | # 29,305,544 |
| Guiding Territory | 799,994 | - | - | 799,994 | - | - | - | - | 799,994 |
| | \$ 43,467,157 | \$ 898,520 | \$ - | \$ 44,365,676 | # \$ 12,778,528 | \$ 1,481,609 | \$ - | \$ 14,260,138 | # \$ 30,105,538 |

Kwadacha Nation
Segmented Statement of Revenue, Expenditure & Surplus
For the 12 Period(s) Ending March 31, 2017

| | Revenue | Expenditure | Wages and Benefits | Total Expenditure | Excess Revenue over Expenditure | Opening Surplus (Deficit) | Recoveries | Transfers | Other | Ending Surplus (Deficit) |
|-----------------------------------|------------------|------------------|--------------------|-------------------|---------------------------------|---------------------------|---------------|-----------------|--------------------|--------------------------|
| Administration | | | | | | | | | | |
| Ottawa Trust Funds | 3,547 | - | - | - | 3,547 | 117,178 | - | - | - | 120,725 |
| Band Administration | 605,975 | 304,969 | 359,973 | 664,941 | (58,967) | 355,169 | - | (15,000) | (26,379) | 254,824 |
| Governance | - | 102,738 | 265,330 | 368,068 | (368,068) | 232,610 | - | 250,000 | - | 114,543 |
| Pension and Benefits | 97,509 | 1,500 | 101,692 | 103,192 | (5,683) | (30,930) | - | - | - | (36,613) |
| Strategic Engagement Agreement | 139,688 | 19,196 | 60,644 | 79,839 | 59,849 | 32,370 | - | - | - | 92,220 |
| Specific Claims | 7,400 | - | - | - | 7,400 | (101,848) | - | - | - | (94,448) |
| BC Capacity Initiative | 94,990 | 40,149 | 53,854 | 94,003 | 987 | - | - | - | (987) | - |
| Site C Project | - | - | - | - | - | 21,631 | - | (21,631) | - | - |
| | <u>949,109</u> | <u>468,552</u> | <u>841,492</u> | <u>1,310,043</u> | <u>(360,935)</u> | <u>626,181</u> | <u>-</u> | <u>213,369</u> | <u>(27,366)</u> | <u>451,250</u> |
| Education and Training | | | | | | | | | | |
| Kwadacha Education Society | 3,085,465 | - | - | - | 3,085,465 | - | - | - | (2,885,465) | 200,000 |
| Elders Trailblazer Project | 24,976 | 12,616 | 10,913 | 23,529 | 1,447 | 10,306 | - | (10,306) | - | 1,447 |
| | <u>3,110,441</u> | <u>12,616</u> | <u>10,913</u> | <u>23,529</u> | <u>3,086,912</u> | <u>10,306</u> | <u>-</u> | <u>(10,306)</u> | <u>(2,885,465)</u> | <u>201,447</u> |
| Income Assistance | | | | | | | | | | |
| S.A. Administration | 50,819 | 8,056 | 48,275 | 56,331 | (5,512) | 5,512 | - | - | - | - |
| Social Assistance | 424,874 | 401,050 | - | 401,050 | 23,824 | (88,315) | 82,082 | - | - | 17,591 |
| Homemakers Program | 45,266 | - | 62,701 | 62,701 | (17,435) | (69,993) | - | - | - | (87,428) |
| National Child Benefit | 64,006 | 54,769 | 9,237 | 64,006 | - | - | - | - | - | - |
| Prevention Program | 6,856 | 150 | 6,706 | 6,856 | - | - | - | - | - | - |
| | <u>591,821</u> | <u>464,024</u> | <u>126,919</u> | <u>590,943</u> | <u>878</u> | <u>(152,796)</u> | <u>82,082</u> | <u>-</u> | <u>-</u> | <u>(69,837)</u> |
| Operations and Maintenance | | | | | | | | | | |
| Operations and Maintenance | 449,801 | 353,385 | 165,030 | 518,415 | (68,614) | (91,916) | - | 61,194 | (5,540) | (104,876) |
| Kwadacha Electric Power System | 785,000 | 785,000 | - | 785,000 | - | (100,000) | - | 100,000 | - | - |
| | <u>1,234,801</u> | <u>1,138,385</u> | <u>165,030</u> | <u>1,303,415</u> | <u>(68,614)</u> | <u>(191,916)</u> | <u>-</u> | <u>161,194</u> | <u>(5,540)</u> | <u>(104,876)</u> |
| Capital | | | | | | | | | | |
| Phase 3 Subdivision | - | 15,887 | - | 15,887 | (15,887) | (62,018) | - | - | - | (77,905) |
| Lot Servicing ICMS#9-00126213 | 250,000 | - | - | - | 250,000 | - | - | - | - | 250,000 |
| Septic Upgrades ICMS#9-00126374 | 714,588 | 132,046 | - | 132,046 | 582,542 | - | - | - | - | 582,542 |
| Fire Mitigation & Preparedness | 75,000 | 75,000 | - | 75,000 | - | - | - | - | - | - |
| Community Greenhouse | - | 83,129 | 11,329 | 94,458 | (94,458) | - | - | 94,458 | - | - |
| Community Biomass Project | 2,473,350 | 3,468,552 | 3,399 | 3,471,951 | (998,601) | (89,188) | - | 950,000 | 329,273 | 191,484 |
| Emergency Response Centre | - | 53,834 | - | 53,834 | (53,834) | - | - | - | - | (53,834) |
| Renovations ICMS#9-00126214 | 250,000 | 205,964 | - | 205,964 | 44,036 | - | - | - | - | 44,036 |
| Elders Centre Upgrades | 40,290 | 34,781 | 5,332 | 40,113 | 177 | - | - | - | - | 177 |
| New Housing ICMS#9-00126213 | 1,726,560 | 738,196 | 15,632 | 753,828 | 972,732 | (78,186) | - | - | - | 894,546 |
| Efficiency Upgrades CPMS#11809 | 209,100 | 381,304 | - | 381,304 | (172,204) | (16,166) | - | 67,796 | - | (120,573) |
| Transfer Station | - | 15,856 | - | 15,856 | (15,856) | 205,961 | (134,299) | (55,806) | - | - |
| Community/Youth Center | - | 10,446 | 8,712 | 19,158 | (19,158) | 25,298 | - | - | (6,140) | - |
| ACRS ICMS#9-00125943 | 100,399 | 15,103 | 68,346 | 83,449 | 16,950 | - | - | - | (16,950) | - |
| Water System CPMS#8612 | 200,000 | 241,169 | - | 241,169 | (41,169) | (26,283) | - | (5,388) | - | (72,840) |

Kwadacha Nation
Segmented Statement of Revenue, Expenditure & Surplus
For the 12 Period(s) Ending March 31, 2017

| | Revenue | Expenditure | Wages and Benefits | Total Expenditure | Excess Revenue over Expenditure | Opening Surplus (Deficit) | Recoveries | Transfers | Other | Ending Surplus (Deficit) |
|---|------------------|------------------|--------------------|-------------------|---------------------------------|---------------------------|------------------|------------------|----------------|--------------------------|
| Community Beautification | - | 1,675 | 2,786 | 4,461 | (4,461) | (668) | - | 5,129 | - | - |
| Aerodrome | - | 46,413 | - | 46,413 | (46,413) | (18,115) | - | - | - | (64,529) |
| INAC Capital Surplus | - | - | - | - | - | 17,497 | - | - | - | 17,497 |
| Capital Schedule | (1,971,124) | (3,024,200) | - | (3,024,200) | 1,053,076 | 22,258,585 | - | - | (246,912) | 23,064,749 |
| | <u>4,068,163</u> | <u>2,495,155</u> | <u>115,536</u> | <u>2,610,692</u> | <u>1,457,471</u> | <u>22,216,717</u> | <u>(134,299)</u> | <u>1,056,190</u> | <u>59,271</u> | <u>24,655,349</u> |
| Own Source | | | | | | | | | | |
| Capital & Operations Management | - | (56,271) | 56,271 | - | - | - | - | - | - | - |
| CMHC Housing | 148,933 | 87,886 | 40,840 | 128,726 | 20,207 | (113,645) | - | 50,000 | - | (43,438) |
| Band Housing | 450,079 | 308,218 | 82,016 | 390,234 | 59,845 | 33,482 | - | (50,000) | - | 43,327 |
| Freight Truck | 84,054 | 82,131 | 58,730 | 140,861 | (56,807) | (33,764) | - | - | - | (90,571) |
| Kwadacha Community Restaurant | 117,659 | 74,401 | 66,908 | 141,309 | (23,650) | (82,790) | - | - | - | (106,440) |
| Building - KCS | 45,000 | 87,491 | - | 87,491 | (42,491) | 42,509 | - | - | - | 17 |
| Operations - KCS | 2,564,725 | 2,189,165 | 276,279 | 2,465,444 | 99,280 | (300,677) | - | - | - | (201,397) |
| Band Revenue | 66,531 | 37,837 | 10,261 | 48,097 | 18,434 | 8,395 | - | - | - | 26,829 |
| Road Maintenance | 502,952 | 520,707 | 52,611 | 573,318 | (70,365) | 373,055 | - | - | - | 302,689 |
| Economic Development | 352,390 | 213,252 | 59,908 | 273,159 | 79,231 | 584,041 | - | (43,369) | (1,202) | 618,700 |
| CEDP | 45,300 | - | 45,300 | 45,300 | - | - | - | - | - | - |
| Capacity Development | 74,557 | 76,729 | 57,333 | 134,062 | (59,505) | 140,400 | - | - | - | 80,895 |
| Jet Fuel | 18,593 | 29,926 | - | 29,926 | (11,333) | - | - | - | - | (11,333) |
| Guide Outfitter | 191,935 | 136,978 | 114,926 | 251,905 | (59,970) | (179,565) | - | - | - | (239,534) |
| Koh Widak'andza | 193,911 | 48,897 | 67,064 | 115,961 | 77,950 | (26,891) | - | - | - | 51,059 |
| Charter Service | 404,832 | 461,117 | - | 461,117 | (56,285) | 531,978 | - | 12,913 | - | 488,606 |
| Greenhouse | - | 124,707 | 65,441 | 190,148 | (190,148) | - | - | - | - | (190,148) |
| Fort Ware Investment Fund | (40,902) | - | - | - | (40,902) | 839,107 | - | - | - | 798,204 |
| | <u>5,220,548</u> | <u>4,423,170</u> | <u>1,053,888</u> | <u>5,477,058</u> | <u>(256,510)</u> | <u>1,815,636</u> | <u>-</u> | <u>(30,457)</u> | <u>(1,202)</u> | <u>1,527,467</u> |
| Health and Wellness | | | | | | | | | | |
| CP - Children & Youth (Prenatal) | 158,821 | 15,310 | 2,943 | 18,253 | 140,568 | - | - | - | (140,568) | - |
| CP - Mental Health & Addictions | 210,618 | 158,229 | 52,389 | 210,618 | - | - | - | - | - | - |
| CP - Chronic Disease & Injury Preventio | 18,215 | 8,566 | 9,649 | 18,215 | - | - | - | - | - | - |
| Health Protection (Aids/DWS) | 13,705 | 685 | 13,020 | 13,705 | - | - | - | - | - | - |
| PHC - Community Health Rep | 53,050 | 4,000 | 49,050 | 53,050 | - | - | - | - | - | - |
| SFM - Home Community Care | 104,272 | 53,735 | 50,537 | 104,272 | - | - | - | - | - | - |
| SFM - Children's Oral Health | 4,991 | 250 | 4,741 | 4,991 | - | - | - | - | - | - |
| Non-Insured Health Benefits | 611,765 | 670,112 | 60,419 | 730,531 | (118,766) | (149,726) | 129,033 | - | - | (139,459) |
| Physician | 33,982 | 67,699 | 493 | 68,192 | (34,210) | - | - | 34,210 | - | - |
| Health Governance & Support | 219,344 | 119,721 | 99,623 | 219,344 | - | - | - | - | - | - |
| MCFD - Infant Development | 143,584 | 57,883 | 57,748 | 115,632 | 27,952 | 118,987 | - | (27,952) | - | 118,987 |
| MCFD - Family Development | 61,752 | 30,694 | 31,058 | 61,752 | - | - | - | - | - | - |
| Justice | 183,215 | 143,431 | 67,736 | 211,167 | (27,952) | - | - | 27,952 | - | - |
| Culture Camp | - | 161 | - | 161 | (161) | 3,750 | - | (3,589) | - | - |
| Other Health Programs | 39,813 | 25,287 | 3,058 | 28,345 | 11,468 | 27,517 | - | 3,589 | - | 42,574 |

Kwadacha Nation
Segmented Statement of Revenue, Expenditure & Surplus
For the 12 Period(s) Ending March 31, 2017

| | Revenue | Expenditure | Wages and Benefits | Total Expenditure | Excess Revenue over Expenditure | Opening Surplus (Deficit) | Recoveries | Transfers | Other | Ending Surplus (Deficit) |
|------------------------------------|---------------------|---------------------|--------------------|---------------------|---------------------------------|---------------------------|-----------------|-------------|----------------------|--------------------------|
| | 1,857,127 | 1,355,764 | 502,465 | 1,858,228 | (1,101) | 528 | 129,033 | 34,210 | (140,568) | 22,101 |
| Settlement Negotiations | | | | | | | | | | |
| Hydro Endowment Fund | 2,228,419 | 682,290 | - | 682,290 | 1,546,129 | 15,766,115 | - | - | - | 17,312,244 |
| Hydro Trustee Fund | 1,594,834 | 1,548,500 | - | 1,548,500 | 46,334 | 263,783 | - | - | - | 310,117 |
| Hydro Operating Fund | 113,191 | 21,079 | 14,250 | 35,329 | 77,862 | 412,318 | - | - | - | 490,180 |
| Hydro Dispute Resolution Fund | 27,090 | - | - | - | 27,090 | 181,142 | - | - | - | 208,232 |
| Bereavement | 30,000 | 25,852 | - | 25,852 | 4,148 | (14,158) | - | - | - | (10,010) |
| Renovations Brief | - | 22,913 | 1,455 | 24,368 | (24,368) | 77,164 | - | (52,796) | - | - |
| Physician Brief | 40,000 | - | - | - | 40,000 | 38,681 | - | (34,210) | - | 44,471 |
| Job Creation Brief | 175,000 | 62,073 | 89,409 | 151,482 | 23,518 | 10,307 | - | - | - | 33,825 |
| Governance Brief | 250,000 | - | - | - | 250,000 | - | - | (250,000) | - | - |
| Elders Cost of Living Brief | 200,000 | 228,011 | - | 228,011 | (28,011) | (5,862) | - | - | - | (33,873) |
| Elders Society Brief | 158,722 | 161,025 | 44,131 | 205,156 | (46,434) | 44,644 | - | 10,306 | - | 8,517 |
| SRTA | 352,341 | - | - | - | 352,341 | - | - | - | - | 352,341 |
| Recreation-Cultural | 150,000 | 74,791 | 22,918 | 97,709 | 52,291 | 52,504 | - | - | - | 104,796 |
| Education Brief | 50,000 | - | - | - | 50,000 | - | - | - | (50,000) | - |
| Off-Reserve Members Brief | 50,000 | 56,214 | - | 56,214 | (6,214) | 6,214 | - | - | - | - |
| Off-Reserve Committee Brief | 8,500 | 4,084 | - | 4,084 | 4,416 | - | - | - | - | 4,416 |
| Activities - Brief | 112,500 | - | - | - | 112,500 | - | - | (112,500) | - | - |
| Hydro Briefs - Capital | 950,000 | - | - | - | 950,000 | 35,000 | - | (985,000) | - | - |
| Trustee Receipts and Disbursements | (2,148,500) | (2,148,500) | - | (2,148,500) | - | - | - | - | - | - |
| | 4,342,098 | 738,331 | 172,163 | 910,494 | 3,431,604 | 16,867,852 | - | (1,424,200) | (50,000) | 18,825,256 |
| Band Member Trust | | | | | | | | | | |
| Trust Account - L Massettoe | 21,747 | 16,696 | - | 16,696 | 5,052 | 63,066 | - | - | - | 68,118 |
| Trust Account - Egnell | 19,471 | 13,095 | - | 13,095 | 6,376 | 31,340 | - | - | - | 37,716 |
| Trust Account - Charlie | - | - | - | - | - | (129) | - | - | - | (129) |
| Trust Account - J Massettoe | - | - | - | - | - | 855 | - | - | - | 855 |
| | 41,218 | 29,790 | - | 29,790 | 11,428 | 95,133 | - | - | - | 106,560 |
| | <u>\$21,415,325</u> | <u>\$11,125,787</u> | <u>\$2,988,406</u> | <u>\$14,114,193</u> | <u>\$7,301,133</u> | <u>\$41,287,640</u> | <u>\$76,816</u> | <u>\$-</u> | <u>(\$3,050,870)</u> | <u>\$45,614,718</u> |

Kwadacha Nation
Expenses By Object
For the period ended March 31, 2017

| | <u>Budget</u> | <u>2017</u> | <u>2016</u> |
|--|---------------------|---------------------|---------------------|
| Accomodations | 7,500 | 7,560 | 7,832 |
| Activities | 41,000 | 31,332 | 24,819 |
| Administration | 251,488 | (17,376) | 129,761 |
| Advertising and Promotion | 18,700 | 17,897 | 13,979 |
| Amortization | 1,165,000 | 1,531,712 | 1,481,609 |
| Appliances | 7,500 | 5,950 | 14,265 |
| Bad Debts (Recovery) | 27,982 | 17,519 | 53,656 |
| Band Members Assistance | 2,500 | 7,585 | 8,678 |
| Bank and Service Charges | 30,600 | 34,506 | 36,677 |
| Bereavement | 10,000 | 17,433 | 17,745 |
| Cash Short (Over) | 500 | 3,213 | 28,522 |
| Charter Expense | 745,000 | 466,272 | 769,603 |
| Computer Maintenance | 26,500 | 21,625 | 21,510 |
| Contracts | 4,730,597 | 631,002 | 2,200,528 |
| Consulting Fees | 873,781 | 1,101,909 | 245,516 |
| Cost of Goods Sold - KCS | 1,371,000 | 1,962,693 | 1,699,600 |
| Counsellor Services | 15,000 | 14,281 | - |
| Donations | 6,500 | - | 500 |
| Elders Cost of Living Assistance | 179,138 | 212,700 | 198,000 |
| Election Expense | 250 | 458 | - |
| Equipment Rental | 69,500 | 88,877 | 27,153 |
| Equipment Repairs and Maintenance | 68,500 | 72,205 | 35,400 |
| Fees and Dues | 36,600 | 34,405 | 26,899 |
| Fuel | 117,000 | 142,746 | 134,194 |
| Freight | 327,458 | 507,058 | 188,175 |
| Honorarium | 201,200 | 166,835 | 120,345 |
| Horse Care | 23,000 | 22,390 | 29,955 |
| Hot Lunch Program | 40,000 | 39,125 | 40,095 |
| Inspections | 23,000 | 13,456 | 1,800 |
| Insurance | 180,428 | 192,290 | 147,066 |
| Interest | 213,000 | 235,739 | 196,461 |
| Materials | 353,500 | 285,967 | 3,438 |
| Management Fees | 75,000 | 82,290 | 271,796 |
| Meeting Expenses | 34,600 | 20,661 | 12,529 |
| Membership | 4,096 | 4,096 | 4,140 |
| Mortgage Payments | 4,500 | 5,182 | 5,135 |
| Office Supplies | 32,750 | 24,967 | 19,753 |
| Off Reserve Members Assistance | 56,214 | 56,214 | 60,181 |
| Office Supplies - Fort Ware | 12,000 | 11,780 | 9,120 |
| Patient Travel - Transportation | 380,000 | 433,238 | 449,170 |
| Patient Travel - Accomodations and Meals | 151,969 | 235,350 | 211,832 |
| Postage and Courier | 5,650 | 6,228 | 3,508 |
| Premises - Fort Ware | 100,860 | 100,860 | 39,000 |
| Premises - Prince George | 90,460 | 103,782 | 95,863 |
| Professional Fees | 47,544 | 40,929 | 59,211 |
| Purchases - Band Member Trust | - | 29,790 | 49,924 |
| Repairs and Maintenance | 133,500 | 171,762 | 182,519 |
| Replacement Reserve | 129,281 | 129,281 | 129,281 |
| Satellite Services | 4,650 | 4,040 | 3,758 |
| Adult Institutional Care | 63,977 | 65,168 | 63,966 |
| Basic | 185,000 | 148,012 | 144,721 |
| Basic Shelter | 125,000 | 138,603 | 101,604 |
| GFA | 30,578 | 28,947 | 30,798 |
| Special Needs | 20,319 | 20,319 | 19,108 |
| Supplies | 467,856 | 568,574 | 387,343 |
| Telephone and Fax | 52,600 | 57,256 | 52,312 |
| Telephone and Fax - Fort Ware | 12,500 | 13,890 | 2,024 |
| Training and Workshops | 170,890 | 102,002 | 23,964 |
| Travel | 392,296 | 405,576 | 357,452 |
| Utilities | 114,000 | 247,625 | 160,866 |
| Wages and Benefits | 2,901,971 | 2,988,406 | 2,834,049 |
| | <u>\$16,963,784</u> | <u>\$14,114,193</u> | <u>\$13,688,706</u> |