

Coldwater Indian Band
Consolidated Financial Statements
March 31, 2017

Coldwater Indian Band

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For the year ended March 31, 2017

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Independent Auditors' Report

To the Members of Coldwater Indian Band:

We have audited the accompanying consolidated financial statements of Coldwater Indian Band, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus (deficit), changes 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 entity'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 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 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 Coldwater Indian Band as at March 31, 2017 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The consolidated financial statements of Coldwater Indian Band for the year ended March 31, 2016, were audited by another firm of public accountants who expressed an unmodified opinion on July 13, 2016.

Kelowna, British Columbia

July 26, 2017

MNP LLP

Chartered Professional Accountants

As at March 31, 2017

The accompanying notes are an integral part of these financial statements

Coldwater Indian Band

Consolidated Statement of Operations and Accumulated Surplus (Deficit)

For the year ended March 31, 2017

	<i>Schedules</i>	<i>2017 Budget</i>	<i>2017</i>	<i>2016 Note 20</i>
Revenue				
Indigenous and Northern Affairs Canada (INAC)		3,863,812	3,736,781	3,076,088
Canada Mortgage and Housing Corporation (CMHC)		45,870	309,416	44,438
First Nations Health Authority		102,916	120,556	102,916
Province of British Columbia		283,512	265,568	289,852
First Nations Education Steering Committee		32,303	127,232	38,076
Nlaka'pamux Legacy Trust (Note 15)		862,307	466,896	295,351
Other revenue		211,546	547,718	655,305
Administration fees		212,465	39,823	-
Rental income		203,100	219,524	206,314
Earnings (loss) from investment in Nation business entities		189,728	137,602	202,056
Property taxation		177,241	197,593	177,837
Interest income		1,000	206,769	194,643
Store sales		198,200	154,749	197,893
		6,384,000	6,530,227	5,480,769
Expenses				
Administration	3	1,024,493	1,120,624	985,330
Operations and maintenance	4	418,061	558,560	524,551
Education	5	1,637,623	1,657,775	1,803,451
Social development	6	1,261,799	1,438,349	1,375,224
Natural resources and economic development	7	420,324	485,918	411,592
Housing	8	221,945	389,467	212,860
Capital projects	9	938,020	537,391	180,083
Impact benefit agreements	10	19,802	117,593	57,818
		5,942,067	6,305,677	5,550,909
Surplus (deficit) before transfers		441,933	224,550	(70,140)
Transfers between programs		370,000	-	(57,864)
Surplus (deficit)		71,933	224,550	(128,004)
Accumulated surplus, beginning of year, as previously stated		11,478,038	11,478,038	11,206,751
Prior period adjustment (Note 20)		-	-	399,291
Accumulated surplus, beginning of year, as restated		11,478,038	11,478,038	11,606,042
Accumulated surplus, end of year		11,549,971	11,702,588	11,478,038

The accompanying notes are an integral part of these financial statements

Coldwater Indian Band
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2017

	2017 <i>Budget</i>	2017	2016 <i>Note 20</i>
Annual surplus (deficit)	71,933	224,550	(128,004)
Purchases of tangible capital assets	(6,503)	(23,071)	(233,917)
Amortization of tangible capital assets	75,878	604,148	423,708
Gain on disposal of tangible capital assets	-	-	(138,058)
Proceeds on disposal of tangible capital assets	-	-	177,598
Impact of transfers	-	-	57,862
	69,375	581,077	287,193
Acquisition of prepaid expenses	-	(8,505)	(933)
Use of inventories	-	6,826	1,738
	-	(1,679)	805
Increase in net financial assets	141,308	803,948	159,994
Net financial assets, beginning of year	6,979,869	6,979,869	6,819,875
Net financial assets, end of year	7,121,177	7,783,817	6,979,869

Coldwater Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2017

	2017	2016 <i>Note 20</i>
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	224,550	(128,004)
Non-cash items		
Amortization	604,148	423,708
Earnings (loss) from investment in Nation entities	(98,403)	(114,472)
Gain on disposal of tangible capital assets	-	(138,058)
Transfers	-	57,864
	730,295	101,038
Changes in working capital accounts		
Accounts receivable	30,467	(76,932)
Accounts payable and accruals	(226,967)	(249,328)
Deferred revenue	(87,790)	33,607
Inventories	6,825	1,739
Prepaid expenses	(8,505)	(933)
	444,325	(190,809)
Financing activities		
Repayment of long-term debt	(75,731)	(74,245)
Capital activities		
Purchases of tangible capital assets	(23,071)	(233,917)
Proceeds on disposal of tangible capital assets	-	177,598
	(23,071)	(56,319)
Investing activities		
Purchase of portfolio investments	(424,581)	(412,783)
Advances to related Nation entities & departments	(39,199)	-
Decrease in cash resources	(118,257)	(734,156)
Cash resources, beginning of year	5,487,689	6,221,845
Cash resources, end of year	5,369,432	5,487,689

Coldwater Indian Band

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

1. Operations

The Coldwater Indian Band (the "Band") is a local government located in the province of British Columbia, and is responsible for the well-being of its community, and enacts legal policies and programs in the areas of Administration, Education, Health, Housing and Social Services. The Band is also mandated to take actions to protect the well-being of members and the community, and to establish cultural programs and undertake initiatives in economic development.

2. Significant accounting policies

These consolidated financial statements are the representations of management in accordance with Canadian public sector accounting standards as recommended by the Public Accounting Standards Board ("PSAB") of CPA Canada and are consistent with the accounting policies set out by the Department of Indigenous and Northern Affairs Canada. Significant accounting policies adopted by the Band are as follows:

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Reporting entity consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the Band reporting entity, except for Band business entities.

The Band has consolidated the assets, liabilities, revenue and expenses of the following entities:

- Coldwater Developments Inc.,
- 543454 B.C. Ltd.
- 0875926 B.C. Ltd.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Investments in Band partnerships are accounted for using the proportionate consolidation method. The Band's pro-rata share of the assets, liabilities, revenue, and expenses of the Band partnership have been combined on a line-by-line basis with similar items of the Band.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Revenue recognition

Revenue is recognized on the accrual basis as it is earned, or as services are provided, and is measurable and becomes receivable under the terms of the applicable funding agreements.

The Band recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Band recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Coldwater Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

2. Significant accounting policies *(Continued from previous page)*

Contract revenues are recorded on an accrual basis and are recognized when the service has been provided.

Interest and investment income is recorded as revenue in the period earned.

Lease and rental revenue is recognized when a tenant commences occupancy and rent is due. The Band retains all benefits and risks of ownership of its property and, therefore, accounts for leases with its tenants as operating leases.

Property tax revenues are recorded on the accrual basis and are recognized when the amounts to be received can be reasonably estimated and collection is reasonably assured.

Other revenue, including the sale of goods and provision of services are recognized in the period the goods or services are provided.

Deferred Revenue

Deferred revenue represents grants and other fees which have been collected, but for which the related expenses or services have yet to be incurred or performed. These amounts will be recognized as revenues in the fiscal year the services are performed or related expenditures incurred.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution. All intangibles and items inherited by right of the Band, such as reserve lands, forests, water, and mineral resources, are not recognized as assets in the Band's consolidated financial statements. Historic works of art and treasures are not recorded as assets in these consolidated financial statements.

Amortization

Social housing assets acquired under Canada Mortgage and Housing Corporation ("CMHC") sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long-term debt. Assets under construction are not amortized until the asset becomes available for use. Amortization for other tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Years
Buildings	straight-line	20 years
Building - CDI	declining balance	4 %
Land Improvement	straight-line	20 years
Automotive	straight-line	3.33 years
Equipment	declining balance	30 %
Computer equipment	straight-line	3 years

Long-term debt

Long-term financing received to fund tangible capital asset purchases is recognized in the period the financing is acquired and recorded as an increase in long-term debt.

Repayments of long-term financing are recognized as a decrease in long-term debt.

Long-lived assets and discontinued operations

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Band performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus for the year ended.

2. Significant accounting policies *(Continued from previous page)*

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Band members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other Band tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Band is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2017.

At each financial reporting date, the Band reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Band continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Expenditures that relate to on-going environmental and remediation programs are charged against surplus (deficit) as incurred. A liability for a contaminated site reflects management's best estimate of the amount required to remediate the contaminated site. The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future site remediation.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

As at March 31, 2017, management has determined no liability is required to be recorded.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts 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 expenses during the period.

Significant estimates include assumptions used in estimating provisions for accrued liabilities, estimated useful lives of tangible capital assets, and valuation of accounts receivable.

Liabilities for contaminated sites are estimated based on the best information available regarding potential contamination where the Band is responsible.

Measurement uncertainty

The preparation of consolidated 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 disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

2. Significant accounting policies *(Continued from previous page)*

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amounts due from Band members and investments in Band business enterprises are stated after evaluation as to their collectability and recoverability and an appropriate allowance for impairment is provided where considered necessary. Deferred revenue is based upon estimates of unexpended amounts and amounts required to complete specific projects. Amortization is based on the estimated useful lives of tangible capital assets. Accounts payable to employees for annual vacation allotments are based upon estimates of the unused balance at the year-end. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Band is responsible for. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

Financial instruments

Unless otherwise noted, it is management's opinion that the Band is not exposed to significant interest, currency, or credit risks arising from financial instruments. The fair values of financial instruments approximate their carrying values, unless otherwise noted.

Retirement benefits

The Band has a defined contribution pension plan under which the Band pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further amounts. The contributions payable to the defined contribution plan are recognized as a liability and an expense during the periods which employees render service. Prepaid contributions are recognized as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Budgets

Budget information for individual programs has been included in the consolidated financial statements when the information is available and represents the 2016/2017 operating and capital budgets approved by Chief and Council.

Segments

The Band conducts its business through 8 reportable segments: Social Development, Administration, Operations & Maintenance, Education, Natural Resources & Economic Development, Capital Projects, Social Housing, and Impact Benefit Agreements. These operating segments are established by senior management to facilitate the achievement of the Band's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2 the *Significant accounting policies*, with all inter-entity transactions entity transactions eliminated upon consolidation.

2. Significant accounting policies *(Continued from previous page)*

Future Accounting Policies

PS 2200 Related Party Disclosures

This accounting pronouncement is effective for the 2018 fiscal year and defines related party and established disclosures required for related party transactions. Management is assessing the impact of the adoption of these standards which is not known or reasonably estimable at this time.

PS 3210 Assets

This accounting pronouncement is effective for the 2018 fiscal year and provides guidance for applying the definitions of assets set out in PS 1000 Financial Statement Concepts and establishes general disclosure standards for assets. Management is assessing the impact of the adoption of these standards which is not known or reasonably estimable at this time.

PS 3450 Financial Instruments

This accounting pronouncement establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative instruments. It is effective for fiscal years beginning on or after April 1, 2019, with early adoption encouraged. Management is assessing the impact of the adoption of these standards which is not known or reasonably estimable at this time.

Coldwater Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

3. Cash and cash equivalents

	2017	2016
Cash on hand	4,438,855	4,730,658
Housing Restricted Cash	445,643	284,996
Ottawa Trust Fund - revenue	484,934	472,035
	5,369,432	5,487,689

Housing restricted cash

The Housing restricted cash is derived under the terms of the agreement with CMHC, the account is to be credited 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 be approved by CMHC from time to time.

Designated funds

Included in cash and portfolio investments are cash balances internally restricted for specific purposes for Taxation Special, Taxation Reserve, Transition Capital Reserve, Forestry Capital Reserve and Impact Benefits of \$3,255,491 (2016 - \$2,710,418).

4. Accounts receivable

	2017	2016
Accounts receivable	439,655	404,040
Indigenous and Northern Affairs Canada	-	24,437
Other government agencies	10,358	-
Band member loans receivable	215,771	290,096
Rents receivable	202,793	194,107
	868,577	912,680
Less: Allowance for doubtful accounts	386,159	399,795
	482,418	512,885

5. Investments

	2017	2016
Investments held at cost, non-controlling interests		
Nicola Valley Indian Services Association	204,008	204,008
Nicola Valley Indian Development Corporation	1	-
All Nations Trust	12,550	12,550
Stuwix Resources Ltd.	1	1
	216,560	216,559
Wholly-owned subsidiaries		
0543454 BC Ltd.	146,564	115,390
0875926 BC Ltd.	1	-
	146,565	115,390
Investments in joint ventures		
Stuwix Resources Joint Venture	580,201	501,298
	943,326	833,247

Coldwater Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

6. Funds held in Ottawa Trust

Funds held in trust include the Ottawa Trust accounts which arise from moneys derived 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. Capital and revenue trust moneys are transferred to the Band on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the Band's Council.

	2017	2016
Capital Trust		
Balance, beginning and end of year	99,705	99,705

7. Accounts payable and accrued liabilities

	2017	2016
Other accounts payable and accrued liabilities	344,218	779,334
Accrued salaries and employee benefits payable	88,560	32,045
Indigenous and Northern Affairs Canada	151,635	-
	584,413	811,379

8. Deferred revenue

	<i>2016 Deferred Revenue</i>	<i>Current Year Funding Received</i>	<i>Current Year Revenue Recognized</i>	<i>2017 Deferred Revenue</i>
First Nations Education Steering Committee	63,582	73,047	127,232	9,397
INAC	50,000	-	50,000	-
Other	4,000	-	4,000	-
Province of British Columbia	-	285,963	265,568	20,395
	117,582	359,010	446,800	29,792

Coldwater Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

9. Long-term debt

	2017	2016
All Nations Trust Co. - Mortgage repayable in monthly installments of \$2,190 including interest at 1.65% per annum, due for renewal on June 1, 2017 and matures May 1, 2027.	245,869	267,917
All Nations Trust Co. - Mortgage repayable in monthly installments of \$1,387 including interest at 1.65% per annum, due for renewal on June 1, 2017 and matures June 1, 2027.	156,975	170,924
All Nations Trust Co. - Mortgage repayable in monthly installments of \$2,330 including interest at 1.92% per annum, due for renewal on April 1, 2019 and matures February 1, 2029.	297,785	319,838
All Nations Trust Co. - Mortgage repayable in monthly installments of \$1,719 including interest at 2.35% per annum, due for renewal on September 1, 2018 and matures April 1, 2023.	116,875	134,556
	817,504	893,235

All loans guaranteed by Indigenous and Northern Affairs Canada.

Principal repayments on long-term debt in each of the next five years, assuming all long-term debt subject to refinancing is renewed, are estimated as follows:

2018	77,078
2019	78,552
2020	80,052
2021	81,582
2022	83,142

10. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Included in land improvements is \$486,859 (2016 - \$486,859) of assets that are not being amortized due to being under development.

Included in tangible capital assets are fully depreciated assets with cost and accumulated amortization of \$2,350,609.

11. Accumulated surplus

Accumulated surplus consists of the following:

	2017	2016
Unrestricted Surplus	4,824,246	4,143,527
Reserves	3,215,518	3,179,267
Equity in tangible capital assets	3,078,185	3,583,504
Ottawa Trust	584,639	571,740
	11,702,588	11,478,038

Coldwater Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

12. Commitments

The Band has entered a Local Education Agreement (LEA) with School District #58 to provide enrolment to Band members. The current agreement covers the period of September 1, 2015 to June 30, 2020. Tuition payments were calculated on a per student basis. During the year, the Band paid \$476,583 (2016 - \$524,170).

13. Contingent liabilities

From time to time the Band is brought forth in legal disputes. The Band reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim would materially affect the financial statements of the Band. The Band is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statement.

The Band has guaranteed certain band member loans with INAC. The amount outstanding on these loans at March 31, 2017 amounts to \$36,371 (2016 - \$41,656)

14. Loan guarantees

As at March 31, 2017, the Band has guaranteed \$94,757 in credit facility 3 and 5 year term loans under the Residential Rehabilitation Assistance Program (RRAP). These loans are held by band members from the Canada Mortgage and Housing Corporation (CMHC) and have been collateralized by promissory notes signed by the Band. Loan Payment under this guarantee for 3 year (\$62,670), and 5 year loans (\$32,087), will remain in place until their respective maturity dates of May 31, 2020 and April 30, 2022. Loans will be forgiven by CMHC at the maturity date provided the terms and conditions set forth in the promissory notes have not breached, in which case principle repayment and applicable interest will become due immediately. As at March 31, 2017, no liability has been recorded in association with this guarantee.

15. Trust funds

The Band's revenue for the year included trust distributions of \$466,896 (2016 - \$295,351). As at December 31, 2016, the balance of funds held in the trust was \$2,421,781 (2015 - \$2,693,256). Management does not expect these balances to have significantly changed to March 31, 2017.

16. Pension

The Band provides a defined contribution pension plan covering substantially all full-time employees. Members are required to contribute 5.5% of their salary up to a maximum of 18.0% (2016 - 5.5%-18.0%). The Band contributes 5.5% (2016 - 5.5%) and the contributions are directed to the member's contribution account. During the year, the Band contributed \$49,173 (2016 - \$48,452).

17. Comparative figures

Certain 2016 comparative figures have been reclassified to conform with current year's presentation.

18. Economic dependence

Coldwater Indian Band receives a significant portion of its revenue, approximately 62% (2015 - 56%) from Indigenous and Northern Affairs Canada (INAC) as a result of an agreement entered into with the Government of Canada. These agreements are administered by INAC under the terms and conditions of the Indian Act. The ability of the Band to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

19. Budget information

The disclosed budget information has been approved by the Chief and Council of the Band at the Council meeting held on March 19, 2016.

20. Correction of an error

In prior years, a liability for the unfunded portion of reserves required by CMHC were presented as a liability rather than as part of accumulated surplus (deficit). For 2017 and 2016 the impact of this correction has resulted in an increase in accumulated surplus of \$399,291 and decrease of liability for \$399,291, and a change to net income of \$11,758.

21. Segments

The Band describes :

Administration

Administration provides the functions of corporate administration, finance, human resources, legislative services, and any other functions not categorized to a specific department.

Operations and Maintenance

Operations and maintenance is responsible for providing services relating to the development, maintenance and service of the Band's assets, infrastructure and common property.

Education

Education is responsible for administering and facilitating educational programs through the operations of an on-reserve school, post secondary education support, and the operations of various other community education programs. The goal of this segment is to enhance the educational opportunities of band members.

Social development

Social development provides services to help band members by providing a variety of programs, community services, and social assistance.

Natural Resources and Economic Development

Natural resources and economic development is responsible for the development of economic opportunities to band members, along with the exploration of the development of natural resource revenue for the Band.

Social Housing

Social housing administers services to provide social housing to band members.

Capital Projects

Capital projects administers the planning and implementation of new capital projects and infrastructure on the reserve.

Impact Benefit Agreements

Impact benefit agreements administer one-time funding received by the Band as part of participation agreements with businesses operating in their territory.

Coldwater Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Land</i>	<i>Automotive</i>	<i>Buildings</i>	<i>Land Improvement</i>	<i>Equipment</i>	<i>Subtotal</i>
Cost						
Balance, beginning of year	359,193	524,871	8,482,591	2,228,868	1,052,549	12,648,072
Acquisition of tangible capital assets	-	-	-	-	13,759	13,759
Disposal of tangible capital assets	-	-	-	-	-	-
Balance, end of year	359,193	524,871	8,482,591	2,228,868	1,066,308	12,661,831
Accumulated amortization						
Balance, beginning of year	-	524,871	5,520,281	1,238,552	928,338	8,212,042
Annual amortization	175,281	-	347,347	30,320	30,712	583,660
Accumulated amortization on disposals	-	-	-	-	-	-
Balance, end of year	175,281	524,871	5,867,628	1,268,872	959,050	8,795,702
Net book value of tangible capital assets	183,912	-	2,614,963	959,996	107,258	3,866,129
Net book value of tangible capital assets	359,193	-	2,962,310	990,316	124,211	4,436,030

2016

Coldwater Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Subtotal</i>	<i>Computer Equipment</i>	<i>2017</i>	<i>2016</i>
Cost				
Balance, beginning of year	12,648,072	132,904	12,780,976	12,754,447
Acquisition of tangible capital assets	13,759	9,312	23,071	233,917
Disposal of tangible capital assets	-	-	-	(207,388)
Balance, end of year	12,661,831	142,216	12,804,047	12,780,976
Accumulated amortization				
Balance, beginning of year	8,212,042	92,195	8,304,237	8,048,378
Annual amortization	583,660	20,489	604,149	423,708
Accumulated amortization on disposals	-	-	-	(167,849)
Balance, end of year	8,795,702	112,684	8,908,386	8,304,237
Net book value of tangible capital assets	3,866,129	29,532	3,895,661	4,476,739
	2016			
Net book value of tangible capital assets	4,436,030	40,709	4,476,739	