

**Shackan Indian Band**  
**Financial Statements**  
*March 31, 2017*

# Shackan Indian Band Contents

For the year ended March 31, 2017

---

	Page
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position.....	1
Statement of Operations and Accumulated Surplus.....	2
Statement of Change in Net Financial Assets.....	3
Statement of Cash Flows.....	4
<b>Notes to the Financial Statements</b> .....	5
Schedule 1 - Schedule of Tangible Capital Assets.....	13
Schedule 2 - Schedule of Consolidated Expenses by Object.....	15
Schedule 3 - Administration.....	16
Schedule 4 - Band Revenue.....	17
Schedule 5 - Special Services.....	18
Schedule 6 - Housing.....	19
Schedule 7 - Education.....	20
Schedule 8 - Community Operations & Maintenance.....	21
Schedule 9 - Special Projects.....	22
Schedule 10 - Capital.....	23
Schedule 11 - Other Programs.....	24

---

## Management's Responsibility

---

To the Members of Shackan Indian Band

The accompanying financial statements of Shackan Indian Band are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Shackan Indian Band Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 27, 2017



\_\_\_\_\_  
Administrator

## Independent Auditors' Report

---

To the Members of Shackan Indian Band:

We have audited the accompanying financial statements of Shackan Indian Band, which comprise the statement of financial position as at 2017, and the statements of operations and accumulated surplus, 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 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 auditors' 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.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Shackan 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 previous year's comparative financial statements as at and for the year ended March 31, 2016 were audited and issued by another firm of public accountants.

Chilliwack, British Columbia

July 27, 2017

**MNP LLP**

Chartered Professional Accountants

## Shackan Indian Band Statement of Financial Position

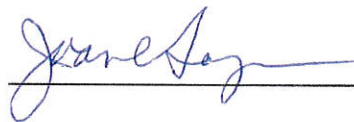
*As at March 31, 2017*

	2017	2016
<b>Financial assets</b>		
Cash and cash equivalents	210,057	13,904
Accounts receivable <i>(Note 4)</i>	89,844	138,295
Marketable securities <i>(Note 5)</i>	406,571	394,143
Restricted cash <i>(Note 6)</i>	18,362	18,917
Investments <i>(Note 7)</i>	34,081	34,081
Investments in Nation entities <i>(Note 8)</i>	738,697	516,954
Funds held in trust <i>(Note 9)</i>	350,051	320,021
Note receivable <i>(Note 10)</i>	45,068	45,068
<b>Total of assets</b>	<b>1,892,731</b>	<b>1,481,383</b>
<b>Liabilities</b>		
Bank indebtedness <i>(Note 11)</i>	90,000	
Accounts payable and accruals <i>(Note 12)</i>	216,624	237,797
Deferred revenue <i>(Note 13)</i>	118,173	199,778
Long-term debt <i>(Note 14)</i>	169,468	177,831
Reforestation obligation	34,954	34,954
<b>Total of financial liabilities</b>	<b>629,219</b>	<b>650,360</b>
<b>Net financial assets</b>	<b>1,263,512</b>	<b>831,023</b>
<b>Contingencies and commitments</b> <i>(Note 15)</i>		
<b>Non-financial assets</b>		
Tangible capital assets <i>(Schedule 1)</i>	1,955,863	1,993,181
Prepaid expenses	11,649	13,185
<b>Total non-financial assets</b>	<b>1,967,512</b>	<b>2,006,366</b>
<b>Accumulated surplus</b> <i>(Note 16)</i>	<b>3,231,024</b>	<b>2,837,389</b>

Approved on behalf of the Council



Chief



Councillor

## Shackan Indian Band Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2017*

	Schedules	2017 Budget	2017	2016
<b>Revenue</b>				
Indigenous and Northern Affairs Canada		900,596	677,939	679,815
Band contracts and other income		501,262	649,451	452,474
Nlaka'pamux Legacy Trust		130,000	250,000	-
Province of BC		-	115,978	32,530
Canada Mortgage and Housing Corporation		6,011	77,943	9,411
First Nation Education Steering Committee		-	16,990	29,889
First Nations and Inuit Youth Employment Strategy		-	31,260	-
Aboriginal Skills Employment and Training Services		-	27,334	-
Ottawa Trust Income		-	23,729	12,016
Interest income		20,025	18,729	19,368
Rental income		12,000	16,800	26,326
BC Hydro		15,441	8,350	4,565
Human Resources Development Canada		-	7,059	-
Administration fees		-	550	-
Forestry licenses		-	-	340,508
First Nation Health Authority		-	-	14,296
Funding reimbursement (recovery)		-	(17,360)	(42,562)
		<b>1,585,335</b>	<b>1,904,752</b>	1,578,636
<b>Program expenses</b>				
Administration	3	389,130	656,716	478,586
Band Revenue	4	153,908	100,055	118,067
Special Services	5	190,773	181,171	235,643
Housing	6	18,173	102,781	24,244
Education	7	89,975	165,798	152,103
Community Operations & Maintenance	8	102,188	223,613	228,853
Special Projects	9	262,400	80,983	298,328
Capital	10	-	-	19,144
<b>Total expenditures</b>		<b>1,206,547</b>	<b>1,511,117</b>	1,554,968
<b>Annual surplus</b>		<b>378,788</b>	<b>393,635</b>	23,668
<b>Accumulated surplus, beginning of year</b>		<b>2,837,388</b>	<b>2,837,389</b>	2,813,721
<b>Accumulated surplus, end of year (Note 16)</b>		<b>3,216,176</b>	<b>3,231,024</b>	2,837,389

The accompanying notes are an integral part of these financial statements

**Shackan Indian Band**  
**Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2017*

	<i>2017 Budget</i>	<i>2017</i>	<i>2016</i>
<b>Annual surplus</b>	<b>176,788</b>	<b>393,635</b>	23,668
Purchases of tangible capital assets	(200,000)	(92,307)	(189,514)
Amortization of tangible capital assets	-	122,527	123,050
Proceeds of disposal of tangible capital assets	-	12,000	-
Gain on sale of tangible capital assets	-	(4,902)	-
	<b>(200,000)</b>	<b>37,318</b>	(66,464)
Acquisition of prepaid expenses	-	(11,649)	(13,185)
Use of prepaid expenses	-	13,185	18,609
	-	1,536	5,424
<b>Increase (decrease) in net financial assets</b>	<b>(23,212)</b>	<b>432,489</b>	(37,372)
<b>Net financial assets, beginning of year</b>	<b>831,022</b>	<b>831,023</b>	868,395
<b>Net financial assets, end of year</b>	<b>807,810</b>	<b>1,263,512</b>	831,023

*The accompanying notes are an integral part of these financial statements*

**Shackan Indian Band**  
**Statement of Cash Flows**  
*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	393,635	23,668
Non-cash items		
Amortization	122,527	123,050
Ottawa trust distributions	(30,029)	(18,468)
Earnings from investment in Nation entities	(12,832)	(24,571)
Gain on sale of tangible capital assets	(4,902)	-
	<b>468,399</b>	<b>103,679</b>
Changes in working capital accounts		
Accounts receivable	48,452	(44,664)
Prepaid expenses	1,536	5,424
Restricted cash	555	-
Accounts payable and accruals	(21,173)	(75,230)
Deferred revenue	(81,605)	199,778
Advances from Nicola Valley Indian Services Association	-	11,000
Advances from Shackan Development Corporation	(208,912)	(49,850)
	<b>207,252</b>	<b>150,137</b>
<b>Financing activities</b>		
Repayment of long-term debt	(8,364)	(8,174)
<b>Capital activities</b>		
Purchases of tangible capital assets	(92,307)	(189,514)
Proceeds of disposal of tangible capital assets	12,000	-
	<b>(80,307)</b>	<b>(189,514)</b>
<b>Increase (decrease) in cash resources</b>	<b>118,581</b>	<b>(47,551)</b>
<b>Cash resources, beginning of year</b>	<b>408,047</b>	<b>455,598</b>
<b>Cash resources, end of year</b>	<b>526,628</b>	<b>408,047</b>
<b>Cash resources are composed of:</b>		
Cash and cash equivalents total	210,057	13,904
Marketable securities	406,571	394,143
Bank indebtedness	(90,000)	-
	<b>526,628</b>	<b>408,047</b>
<b>Supplementary cash flow information</b>		
Interest paid	8,289	6,141

*The accompanying notes are an integral part of these financial statements*



**1. Operations**

Shackan Indian Band (the "Band") is located in the province of British Columbia, and provides various services to its members. Shackan Indian Band includes the Band's government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

**2. Significant accounting policies**

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

***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.

***Asset classification***

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

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

Accounts receivable, and amounts due from related First Nation entities and departments, are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

***Net financial assets***

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

***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.

***Marketable securities***

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of First Nation 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 First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

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

**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.

**Amortization**

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<b>Method</b>	<b>Rate</b>
Automotive	straight-line	10 years
Buildings	straight-line	20 to 40 years
Bridges	straight-line	50 years
Equipment	straight-line	5 to 10 years
Roads	straight-line	10 to 75 years
Water Systems	straight-line	50 years
Housing	straight-line	40 years

**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.

When the Band determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

**Revenue recognition**

**Government Transfers**

The First Nation 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 First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Housing Rental Income**

Rental revenue is recorded in the year it is earned. At the end of each year, management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

**Funds held in Ottawa Trust Fund**

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

**Own source revenue**

Own source revenue derived from such sources as resource based revenues, interest income and other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**Investments**

The Band uses the modified equity method to account for its investment in Shackan Development Corporation whereby the Band records its proportionate share of annual earnings as revenue.

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

**Retirement benefits**

The First Nation has a defined contribution pension plan covering substantially all full-time employees who have completed one year of service. There are no prior service costs. Contributions are discretionary, and are based on percentage of participants' contributions, up to a maximum. The First Nation contributions totalled \$31,216 (2016 - \$16,656).

**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 First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2017.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. Management has determined that no liability exists as at March 31, 2017.

**3. Recent accounting pronouncements**

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 3320 Contingent Assets

This accounting pronouncement is effective for the 2018 fiscal year and establishes disclosure standards on contingent 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.

**4. Accounts receivable**

Accounts receivable includes \$44,047 receivable from Canada Mortgage and Housing Corporation.

**5. Marketable securities**

The market value of the marketable securities at March 31, 2017 is \$424,763 (2016 - \$406,916).

**Shackan Indian Band**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2017*

**6. Restricted cash**

	<b>2017</b>	<b>2016</b>
Operating Reserve	<b>6,209</b>	6,209
Replacement Reserve	<b>12,153</b>	12,708
<b>Total</b>	<b>18,362</b>	18,917

**Notes to restricted assets**

**Operating Reserve**

Under agreements with Canada Mortgage and Housing Corporation (CMHC), the Band established the following:

An operating reserve resulting from annual surplus after the payment of all costs and expenses including allocation to the replacement reserve. 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 otherwise mutually agreed to by the Band and CMHC. These funds may only be used for the ongoing operating costs of the housing projects committed under the agreement with CMHC. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. At March 31, 2017, \$6,209 (2016 - \$6,209) has been set aside to fund this reserve. The overfunded portion at March 31, 2017 was \$6,209.

**Replacement Reserve**

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the Nation established a replacement reserve, funded by an annual allocation of \$2,000 (2016 - \$2,000), to ensure replacement of buildings financed by CMHC. At March 31, 2017, \$13,667 (2016 - \$11,667) has been set aside to fund this reserve. The unfunded portion at March 31, 2017 was \$1,514 (2016 - overfunded \$1,041).

In accordance with terms of the agreement, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

**7. Investments**

	<b>2017</b>	<b>2016</b>
<b>All Nations Trust Company, at cost:</b>		
9,180 Class A Common Shares	<b>6,120</b>	6,120
<b>Nicola Valley Indian Services Society</b>		
Advances, unsecured, bearing interest at 1% above the Royal Bank of Canada's average prime loan rate for the year, no stated terms of repayment	<b>68,013</b>	68,013
Less: writedown of investment	<b>(40,052)</b>	(40,052)
	<b>27,961</b>	27,961
<b>Coyote Timber Products Inc.</b>		
Share capital (22%)	<b>240,000</b>	240,000
Advances, unsecured, bears interest at the Royal Bank of Canada's prime lending rate plus 2% per annum, convertible at the option of the Band into common shares	<b>37,600</b>	37,600
Less: writedown of investment	<b>(277,600)</b>	(277,600)
	-	-
	<b>34,081</b>	34,081

**Shackan Indian Band**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2017*

**8. Investments in Nation entities**

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of loss</i>	<i>Total investment</i>
Shackan Development Corporation (100%)	120	1,355,622	(617,045)	738,697

The Band's investment in Shackan Development Corporation was established for the purpose of pursuing commercial economic development opportunities. Summary financial information for this investment, accounted for using the modified equity method, at March 31, 2017 is as follows:

	<i>As at March 31, 2017</i>	<i>As at March 31, 2016</i>
<b>Assets</b>		
Current assets	1,599,883	1,036,735
Long-term assets	24,340	18,564
<b>Total assets</b>	<b>1,624,223</b>	<b>1,055,299</b>
<b>Liabilities</b>		
Current liabilities	316,892	59,051
Long-term liabilities	1,924,376	1,626,125
<b>Total liabilities</b>	<b>2,241,268</b>	<b>1,685,176</b>
<b>Net debt</b>	<b>(617,045)</b>	<b>(629,877)</b>
<b>Total revenue</b>	<b>2,607,309</b>	<b>580,888</b>
<b>Total expenses</b>	<b>2,594,477</b>	<b>556,317</b>
<b>Net income</b>	<b>12,832</b>	<b>24,571</b>

**9. Funds held in trust**

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	<i>2017</i>	<i>2016</i>
<b>Capital Trust</b>		
Balance, beginning/end of year	<b>26,344</b>	26,344
<b>Revenue Trust</b>		
Balance, beginning of year	<b>293,677</b>	275,209
Interest	<b>6,301</b>	6,452
Provincial grants	<b>309</b>	306
Kwoiek Creek Resources LP	<b>23,420</b>	11,710
Balance, end of year	<b>323,707</b>	293,677
	<b>350,051</b>	320,021

**10. Note receivable**

Note receivable consists of a note receivable from Nlaka'pamux Legacy Trust (2013), which is non-interest bearing, unsecured and has no stated terms of repayment.

**Shackan Indian Band**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2017*

**11. Bank indebtedness**

Under a line of credit arrangement with the Royal Bank of Canada, the Band may borrow up to \$100,000 in revolving increments of \$5,000. The line of credit bears interest at bank's prime rate plus 2%. The prime rate at March 31, 2017 was 2.70%. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2017 the unused portion of the line of credit was \$10,000.

**12. Accounts payable and accruals**

Included in accounts payable are government remittances payable of \$7,156 (2016 - \$2,890), and \$135,811 (2016 - \$42,562) of recoverable funding payable to Indigenous and Northern Affairs Canada.

**13. Deferred revenue**

Deferred revenue consists of deferred capital project funding (NTFW) from Indigenous and Northern Affairs Canada.

**14. Long-term debt**

	<b>2017</b>	<b>2016</b>
All Nation's Trust Company mortgage, payments of \$1,001 per month including interest at 2.11%, secured by the building with a carrying value of \$282,165, due January 2019.	<b>169,468</b>	177,831

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

2018	8,518
2019	8,700
2020	8,885
2021	9,075
2022	9,267

**15. Contingencies and commitments**

The Band may be contingently liable in respect of guaranteed housing mortgages which total \$172,876 (2016 - \$591,317).

The Band has committed to leasing office equipment under three long-term leases which expire April 2018, June 2018 and August 2019. Future minimum lease payments as at March 31, 2017 are as follows:

2018	\$12,006
2019	\$13,782

**Shackan Indian Band**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2017*

**16. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2017</b>	<b>2016</b>
Equity in Ottawa Trust Funds	<b>350,051</b>	320,021
CMHC Replacement Reserve	<b>13,667</b>	11,667
Operating surplus	<b>1,074,790</b>	684,231
Equity in Tangible Capital Assets	<b>1,786,396</b>	1,815,350
Long-term investments	<b>6,120</b>	6,120
	<b>3,231,024</b>	2,837,389

**17. Segments**

The First Nation conducts its business through nine reportable segments. These segments are differentiated by major activities; accountability and control relationships.

Administration - Includes general operation, support, and financial management of the First Nation.

Band Revenue - Includes activities related to administering projects the Band is involved in annually and on an on-going basis relating to the overall objectives of the Band.

Special Services - Includes services offered to community members unable to provide for themselves or their dependents. Services include, but are not limited to, income assistance, child and family support, assisted living, and early childhood development.

Housing - Includes activities related to the administration and management of social housing and band-owned housing units, and renovation projects for private homeowners.

Education - Includes activities related to education at all levels, including elementary, secondary and post-secondary. Additional services include transportation, accommodation, and guidance and counselling.

Community Operations & Maintenance - Includes activities related to construction contracts, general community maintenance, fire protection, and public works.

Special Projects - Includes activities related to development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy. It also manages economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects.

Capital - Includes activities related to capital projects within the community undertaken to support growth and/or maintenance of the Band's infrastructure.

Other - Other activities include administration and management of Ottawa Trust Funds and Tangible Capital Assets.

**18. Economic dependence**

Shackan Indian Band receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these agreements.

**19. Comparative figures**

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



**Shackan Indian Band**  
**Schedule 1 - Schedule of Tangible Capital Assets**

*For the year ended March 31, 2017*

	<i>Roads</i>	<i>Buildings</i>	<i>Water Systems</i>	<i>Automotive</i>	<i>Equipment</i>	<i>Bridge</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	208,058	1,112,410	802,567	248,444	229,127	256,739	2,857,345
Acquisition of tangible capital assets	-	-	81,605	-	10,702	-	92,307
Disposal of tangible capital assets	-	(36,876)	-	-	-	-	(36,876)
Balance, end of year	208,058	1,075,534	884,172	248,444	239,829	256,739	2,912,776
<b>Accumulated amortization</b>							
Balance, beginning of year	120,768	313,109	294,171	198,752	155,083	164,315	1,246,198
Annual amortization	2,774	41,367	12,790	24,844	26,300	5,135	113,210
Accumulated amortization on disposals	-	(29,780)	-	-	-	-	(29,780)
Balance, end of year	123,542	324,696	306,961	223,596	181,383	169,450	1,329,628
<b>Net book value of tangible capital assets</b>	<b>84,516</b>	<b>750,838</b>	<b>577,211</b>	<b>24,848</b>	<b>58,446</b>	<b>87,289</b>	<b>1,583,148</b>
2016 Net book value of tangible capital assets	87,290	799,301	345,332	49,692	74,045	92,424	1,448,084

**Shackan Indian Band**  
**Schedule 1 - Schedule of Tangible Capital Assets**

*For the year ended March 31, 2017*

	<i>Subtotal</i>	<i>Housing</i>	<i>Land</i>	<i>2017</i>	<i>2016</i>
<b>Cost</b>					
Balance, beginning of year	2,857,345	372,677	90,550	3,320,572	3,131,059
Acquisition of tangible capital assets	92,307	-	-	92,307	189,514
Disposal of tangible capital assets	(36,876)	-	-	(36,876)	-
Balance, end of year	2,912,776	372,677	90,550	3,376,003	3,320,573
<b>Accumulated amortization</b>					
Balance, beginning of year	1,246,198	81,195	-	1,327,393	1,204,342
Annual amortization	113,210	9,317	-	122,527	123,050
Accumulated amortization on disposals	(29,780)	-	-	(29,780)	-
Balance, end of year	1,329,628	90,512	-	1,420,140	1,327,392
<b>Net book value of tangible capital assets</b>	<b>1,583,148</b>	<b>282,165</b>	<b>90,550</b>	<b>1,955,863</b>	<b>1,993,181</b>
2016 Net book value of tangible capital assets	1,448,084	454,546	90,551	1,993,181	

**Shackan Indian Band**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Consolidated expenses by object</b>		
Administration	4,436	3,509
Home to work transition	1,000	98
Amortization	122,527	123,050
Bank charges and interest	8,275	6,141
Basic needs	72,405	81,548
Community events	21,055	14,164
Consulting	300,596	345,858
Contracted services	455	655
Culture and heritage	10,007	56,552
Donations and support	9,879	8,712
Support for parents	8,745	26,480
Funeral	1,000	1,044
Child nutrition	3,000	1,788
Honoraria	50,369	46,765
Insurance	17,632	20,194
Living allowance	48,645	23,952
Materials and supplies	27,189	19,238
Meeting	8,604	3,857
Member support	8,029	14,115
Office supplies and expenses	52,565	39,781
Property tax	745	1,368
Rent	10,707	16,157
Repairs and maintenance	75,778	31,357
Salaries and benefits	439,351	409,557
Student support	10,354	10,888
Cultural enrichment	7,550	306
Taxation	7,409	6,635
Telephone and internet	22,131	23,902
Training and workshops	25,412	34,002
Travel	64,059	91,476
Tuition	46,825	72,976
Utilities	24,383	18,843
	<b>1,511,117</b>	<b>1,554,968</b>

**Shackan Indian Band**  
**Administration**  
**Schedule 3 - Schedule of Revenue and Expenses and Deficit**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	255,286	164,145
Nlaka'pamux Legacy Trust	140,000	-
Province of BC	100,000	-
Band contracts and other income	74,229	59,444
First Nations and Inuit Youth Employment Strategy	4,000	-
Administration fees	350	-
Funding reimbursement (recovery)	-	(13,460)
	<b>573,865</b>	<b>210,129</b>
<b>Expenses</b>		
Amortization	9,978	14,781
Bank charges and interest	4,583	2,190
Community events	9,294	931
Consulting	157,017	80,391
Culture and heritage	2,279	15,143
Donations and support	4,165	2,657
Funeral	1,000	1,044
Honoraria	50,369	41,500
Insurance	14,620	5,410
Materials and supplies	11,405	1,403
Meeting	8,604	3,095
Member support	3,665	4,039
Office supplies and expenses	51,187	37,290
Rent	2,807	2,600
Repairs and maintenance	6,763	6,781
Salaries and benefits	257,583	185,277
Taxation	1,000	150
Telephone and internet	7,889	8,191
Training and workshops	15,459	11,823
Travel	35,437	52,516
Utilities	1,612	1,374
	<b>656,716</b>	<b>478,586</b>
<b>Deficit before transfers</b>	<b>(82,851)</b>	<b>(268,457)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>248,208</b>
<b>Deficit</b>	<b>(82,851)</b>	<b>(20,249)</b>

**Shackan Indian Band**  
**Band Revenue**  
**Schedule 4 - Schedule of Revenue and Expenses and Surplus**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Band contracts and other income	281,486	114,233
Nlaka'pamux Legacy Trust	60,000	-
Province of BC	885	10,597
Interest income	12,428	12,916
BC Hydro	8,350	4,565
Rental income	3,600	13,126
Forestry licenses	-	340,508
	<b>366,749</b>	<b>495,945</b>
<b>Expenses</b>		
Bank charges and interest	15	101
Community events	409	200
Consulting	51,504	20,998
Contracted services	-	81
Culture and heritage	7,729	-
Donations and support	1,200	2,000
Materials and supplies	7,188	11,553
Office supplies and expenses	659	644
Property tax	745	1,368
Rent	2,340	3,055
Repairs and maintenance	3,288	12,494
Salaries and benefits	-	38,321
Taxation	6,409	6,485
Telephone and internet	7,579	6,714
Training and workshops	816	4,909
Travel	2,653	861
Utilities	7,521	8,283
	<b>100,055</b>	<b>118,067</b>
<b>Surplus before transfers</b>	<b>266,694</b>	<b>377,878</b>
<b>Transfers between programs</b>	<b>5,201</b>	<b>(280,934)</b>
<b>Surplus</b>	<b>271,895</b>	<b>96,944</b>

**Shackan Indian Band**  
**Special Services**  
**Schedule 5 - Schedule of Revenue and Expenses and Deficit**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	132,882	150,613
Band contracts and other income	500	500
Repayment of funding	-	(29,102)
	<b>133,382</b>	<b>122,011</b>
<b>Expenses</b>		
Administration	736	100
Basic needs	72,405	81,548
Child nutrition	3,000	1,788
Cultural enrichment	7,550	306
Home to work transition	1,000	98
Materials and supplies	152	-
Member support	4,363	10,076
Office supplies and expenses	199	190
Salaries and benefits	72,629	97,812
Support for parents	8,745	26,480
Telephone and internet	2,409	2,181
Training and workshops	553	770
Travel	7,430	14,294
	<b>181,171</b>	<b>235,643</b>
<b>Deficit</b>	<b>(47,789)</b>	<b>(113,632)</b>

**Shackan Indian Band  
Housing**

**Schedule 6 - Schedule of Revenue and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Canada Mortgage and Housing Corporation	77,943	9,411
Nlaka'pamux Legacy Trust	50,000	-
Indigenous and Northern Affairs Canada	32,500	-
Rental income	13,200	13,200
	<b>173,643</b>	<b>22,611</b>
<b>Expenses</b>		
Administration	3,700	3,409
Amortization	9,317	11,820
Bank charges and interest	3,677	3,851
Consulting	21,628	-
Insurance	1,624	1,779
Materials and supplies	771	-
Office supplies and expenses	200	-
Repairs and maintenance	60,654	3,385
Training and workshops	383	-
Travel	827	-
	<b>102,781</b>	<b>24,244</b>
<b>Surplus (deficit)</b>	<b>70,862</b>	<b>(1,633)</b>

**Shackan Indian Band**  
**Education**

**Schedule 7 - Schedule of Revenue and Expenses and Surplus (Deficit)**

*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	87,256	119,276
Band contracts and other income	12,570	15,333
First Nation Education Steering Committee	6,990	29,889
First Nations and Inuit Youth Employment Strategy	27,260	-
Aboriginal Skills Employment and Training Services	27,334	-
Human Resources Development Canada	7,059	-
Funding reimbursement (recovery)	(5,564)	-
	<b>162,905</b>	<b>164,498</b>
<b>Expenses</b>		
Community events	4,000	128
Consulting	6,209	1,175
Contracted services	-	574
Culture and heritage	-	475
Living allowance	48,645	23,952
Materials and supplies	2,319	4,118
Office supplies and expenses	320	1,450
Salaries and benefits	46,190	20,698
Student support	10,354	10,888
Telephone and internet	-	574
Training and workshops	200	11,715
Travel	736	3,380
Tuition	46,825	72,976
	<b>165,798</b>	<b>152,103</b>
<b>Surplus (deficit)</b>	<b>(2,893)</b>	<b>12,395</b>



**Shackan Indian Band**  
**Community Operations & Maintenance**  
**Schedule 8 - Schedule of Revenue and Expenses and Deficit**  
*For the year ended March 31, 2017*

	<b>2017</b>	<b>2016</b>
<hr/>		
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	88,410	82,718
Province of BC	15,094	-
Band contracts and other income	15,082	-
First Nation Education Steering Committee	10,000	-
Administration fees	200	-
First Nation Health Authority	-	14,296
	<hr/>	<hr/>
	<b>128,786</b>	<b>97,014</b>
<hr/>		
<b>Expenses</b>		
Amortization	103,232	96,449
Consulting	13,545	6,600
Contracted services	455	-
Insurance	1,388	13,005
Materials and supplies	1,136	(110)
Office supplies and expenses	-	207
Rent	1,860	6,740
Repairs and maintenance	5,074	8,353
Salaries and benefits	62,949	66,265
Telephone and internet	4,255	6,242
Training and workshops	501	-
Travel	13,969	15,918
Utilities	15,249	9,184
	<hr/>	<hr/>
	<b>223,613</b>	<b>228,853</b>
<hr/>		
<b>Deficit</b>	<b>(94,827)</b>	<b>(131,839)</b>
<hr/>		

**Shackan Indian Band**  
**Special Projects**  
**Schedule 9 - Schedule of Revenue and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Band contracts and other income	265,584	262,965
Province of BC	-	21,933
	<b>265,584</b>	<b>284,898</b>
<b>Expenses</b>		
Community events	7,352	12,614
Consulting	50,693	217,843
Culture and heritage	-	40,933
Donations and support	4,514	4,055
Honoraria	-	5,265
Materials and supplies	4,217	2,273
Meeting	-	762
Rent	3,700	3,762
Repairs and maintenance	-	344
Salaries and benefits	-	1,185
Training and workshops	7,500	4,784
Travel	3,007	4,508
	<b>80,983</b>	<b>298,328</b>
<b>Surplus (deficit) before transfers</b>	<b>184,601</b>	<b>(13,430)</b>
<b>Transfers between programs</b>	<b>(5,201)</b>	<b>1,600</b>
<b>Surplus (deficit)</b>	<b>179,400</b>	<b>(11,830)</b>

**Shackan Indian Band**  
**Capital**

**Schedule 10 - Schedule of Revenue and Expenses and Deficit**  
*For the year ended March 31, 2017*

	2017	2016
<b>Revenue</b>		
Indigenous and Northern Affairs Canada	81,605	163,063
Funding reimbursement (recovery)	<b>(11,796)</b>	-
	<b>69,809</b>	163,063
<b>Expenses</b>		
Community events	-	292
Consulting	-	18,852
	-	19,144
<b>Surplus before transfers</b>	<b>69,809</b>	143,919
<b>Transfers between programs</b>	<b>(81,605)</b>	(158,389)
<b>Deficit</b>	<b>(11,796)</b>	(14,470)

**Shackan Indian Band**  
**Other Programs**  
**Schedule 11 - Schedule of Revenue and Expenses and Surplus**  
*For the year ended March 31, 2017*

	<i>2017</i>	<i>2016</i>
<b>Revenue</b>		
Trust distribution	<b>23,729</b>	12,016
Interest income	<b>6,301</b>	6,452
	<b>30,030</b>	18,468
<b>Surplus before transfers</b>	<b>30,030</b>	18,468
<b>Transfers between programs</b>	<b>81,605</b>	189,515
<b>Surplus</b>	<b>111,635</b>	207,983