

Sucker Creek First Nation #150A
Consolidated Financial Statements
March 31, 2017

Sucker Creek First Nation #150A

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Sucker Creek First Nation

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of **Sucker Creek First Nation #150A** and all the financial information in this annual report are the responsibility of management and have been approved by the **Sucker Creek First Nation #150A** Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgment. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The First Nation maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

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

The consolidated financial statements have been audited by Doyle & Company in accordance with Canadian auditing standards on behalf of the members.

_____ Original signed by _____ Chief

_____ Original signed by _____ Councilor

_____ Original signed by _____ Councilor

_____ Original signed by _____ Councilor

Allan J. Grykuliak, CPA, CA*
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INDEPENDENT AUDITORS' REPORT

To the Chief and Council

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the **Sucker Creek First Nation #150A**, which comprise the statement of financial position as at March 31, 2017 and the statements of financial activities, change in net financial assets and the statement of 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's 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 preparations 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.

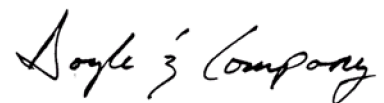
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Sucker Creek First Nation #150A as at March 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

July 25, 2017

Edmonton, Alberta



Chartered Professional Accountants

Sucker Creek First Nation #150A
Consolidated Statement of Financial Position
As at March 31, 2017

	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash	959,645	-
Investments (Note 4)	19,575	19,520
Accounts receivable (Note 5)	679,222	578,901
Band trust funds (Note 10 and 14)	1,352,178	1,916,893
Investment in First Nation controlled entities (Note 11)	(337,364)	308,217
	2,673,256	2,823,531
LIABILITIES		
Bank indebtedness	-	833,128
Line of credit (Note 6)	-	217,332
Accounts payable	322,360	513,746
Advance from Lesser Slave Lake Indian Regional Council	1,231,493	1,256,493
Deferred revenue (Note 7)	901,100	79,379
Long-term liabilities (Note 8)	7,084,378	7,693,816
Reserves (Note 9)	1,907,703	1,767,992
	11,447,034	12,361,886
NET FINANCIAL DEBT	(8,773,778)	(9,538,355)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	20,250,807	20,983,865
Prepaid expenses	94,561	169,617
	20,345,368	21,153,482
ACCUMULATED SURPLUS (Schedule , Note 15)	11,571,590	11,615,127

Commitment (Note 16)

Approved by:

_____ Original signed by _____ Chief

_____ Original signed by _____ Councilor

_____ Original signed by _____ Councilor

_____ Original signed by _____ Councilor

Sucker Creek First Nation #150A
Consolidated Statement of Financial Activities
For the year ended March 31, 2017

	2017 Budget \$	2017 Actual \$	2016 Actual \$
REVENUE			
Indigenous and Northern Affairs Canada (INAC) - Block Contribution	7,228,989	7,154,585	7,018,290
Recovery - Block Contribution	-	-	(29,435)
INAC - Fixed Contribution	198,399	511,132	88,419
INAC - Fixed Contribution Recovery	-	-	(20,750)
INAC - Set Contribution	-	455,938	447,467
INAC - Set Contribution Recovery	-	-	(7,527)
Lesser Slave Lake Indian Regional Council (LSLIRC)	577,304	860,899	642,904
Canada Mortgage Housing Corporation	591,499	639,905	740,823
First Nation Development Fund	577,304	747,965	786,479
Government of Alberta	266,350	410,502	352,676
Health Canada	1,331,329	1,458,326	1,541,967
INAC - Other	-	7,375	2,744
Treaty 8	20,000	22,991	47,796
Other	2,199,769	2,822,307	3,462,637
Rental income	300,000	460,523	466,518
Trust Funds with INAC - Capital account (Note 14)	400,000	400,000	-
Trust Funds with INAC - Revenue account (Note 14)	200,000	250,000	-
Revenue deferred from prior period	29,615	79,379	419,037
Revenue deferred to subsequent period	-	(901,100)	(79,379)
	13,920,558	15,380,727	15,880,666
EXPENDITURES			
Aboriginal Skills and Employment Strategy	300,976	321,612	451,439
Administration	1,960,939	1,147,827	1,132,885
Alberta Future Leaders	43,400	35,432	30,429
CMHC Housing	867,321	522,643	489,324
Chief and Council	750,200	651,560	955,643
Child Welfare Committee	-	137,499	60,821
Communities at Risk	115,000	123,627	-
Consultation	1,166,200	893,574	1,405,212
Daycare	188,548	137,602	178,042
Economic Development	206,563	824,262	1,259,357
Education	3,399,215	3,557,995	3,517,115
First Nations Development	-	739,131	1,229,448
Health	1,339,822	1,500,257	1,478,502
Housing	686,507	463,597	438,522
Public Works	1,280,927	1,253,092	1,253,578
Social Development	1,585,024	1,750,328	1,623,438
	13,890,642	14,060,038	15,503,755
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER REVENUE (EXPENDITURES)	29,916	1,320,689	376,911
OTHER REVENUE (EXPENDITURES)			
Amortization	-	(750,570)	(796,710)
Gain (loss) on disposal of assets	-	(48,941)	(16,060)
EXCESS OF REVENUE OVER EXPENDITURES BEFORE CAPITAL PURCHASES	29,916	521,178	(435,859)

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A
Consolidated Statement of Financial Activities - Continued
For the year ended March 31, 2017

	2017 Budget \$	2017 Actual \$	2016 Actual \$
EXCESS OF REVENUE OVER EXPENDITURES BEFORE CAPITAL PURCHASES - Continued	29,916	521,178	(435,859)
CAPITAL PURCHASES			
Capital purchases	-	(116,319)	(245,920)
Principal debt repayment	-	(609,438)	(573,192)
EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES AFTER CAPITAL EXPENDITURES	29,916	(204,579)	(1,254,971)

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2017

	2017	2016
	\$	\$
EXCESS OF REVENUES OVER EXPENDITURES	521,178	(435,859)
Acquisition of tangible capital assets - equipment, infrastructure, and vehicles	(116,319)	(245,920)
Proceeds on disposal of tangible capital assets	49,865	-
Amortization of tangible capital assets	750,571	796,710
Gain on disposal of tangible capital assets	48,941	-
Increase (Decrease) in Trust Funds with INAC (Note 14)	(564,715)	129,008
Acquisition of prepaid assets	(94,561)	(169,617)
Use of prepaid assets	169,617	164,874
	243,399	675,055
INCREASE IN NET ASSETS	764,577	239,196
NET FINANCIAL ASSETS, BEGINNING OF YEAR	(9,538,355)	(9,777,551)
NET FINANCIAL ASSETS, END OF YEAR	(8,773,778)	(9,538,355)

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A

Consolidated Statement of Cash Flows

For the year ended March 31, 2017

	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from funding agencies and customers	16,102,127	16,643,063
Cash paid to suppliers and employees	(13,409,627)	(16,453,109)
Interest on long-term liabilities	(121,104)	(173,206)
	2,571,396	16,748
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from Lesser Slave Lake Indian Regional Council (Decrease)	(25,000)	-
Net demand loan with ATB and Bank of Montreal (Decrease)	-	217,332
Principal payments on long-term liabilities	(609,438)	(573,192)
	(634,438)	(355,860)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital asset additions	(116,319)	(245,920)
(Increase) Decrease in investments	(55)	(4,173)
Proceeds from sale of assets	49,865	-
Increase (decrease) in replacement reserve	139,711	-
	73,202	(250,093)
INCREASE (DECREASE) IN CASH DURING THE YEAR	2,010,160	(589,205)
CASH - Beginning of year	(1,030,940)	(441,735)
CASH (INDEBTEDNESS) - End of year	979,220	(1,030,940)
Cash Consists of:		
Cash (Bank Indebtedness)	959,645	(833,128)
GICs	19,575	19,520
Line of credit	-	(217,332)
	979,220	(1,030,940)

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A
Consolidated Statement of Expenditures by Object
For the year ended March 31, 2017

	2017	2016
	\$	\$
EXPENDITURES		
Allowance for doubtful accounts	69,164	294,041
Contracted and general services	9,184,649	10,402,395
Interest and bank charges	13,742	25,382
Interest - long term liabilities	121,104	173,206
Materials, goods and utilities	1,397,812	1,311,288
Salaries, wages and benefits	3,273,567	3,297,443
	14,060,038	15,503,755

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A

Schedule of Changes in Accumulated Surplus - Schedule 1

For the year ended March 31, 2017

	Unrestricted Surplus \$	Equity in Tangible Capital Assets \$	Equity in Enterprise Fund \$	Equity in Trust Funds \$	2017 \$	2016 \$
Balance, Beginning of Year	(3,883,970)	13,273,987	308,217	1,916,893	11,615,127	11,921,978
Excess of revenue over expenses	521,178	-	-	-	521,178	(435,859)
Current years funds used for subsidiaries advances	645,582	-	(645,582)	-	-	-
Transfer between funds	(16,062)	16,062	-	-	-	-
Net change in trust funds	-	-	-	(564,715)	(564,715)	129,008
Current years funds used for tangible capital assets	(116,319)	116,319	-	-	-	-
Disposal of tangible capital assets	375,649	(375,649)	-	-	-	-
Amortization of disposed assets	(276,843)	276,843	-	-	-	-
Annual amortization expense	750,571	(750,571)	-	-	-	-
Long-term liabilities repaid	(609,438)	609,438	-	-	-	-
Change in accumulated surplus	1,274,318	(107,558)	(645,582)	(564,715)	(43,537)	(306,851)
Balance, End of Year	(2,609,652)	13,166,429	(337,365)	1,352,178	11,571,590	11,615,127

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A
Consolidated Statement of Tangible Capital Assets - Schedule 2
For the year ended March 31, 2017

	Automotive \$	Buildings & Houses \$	Computer Equipment \$	Machinery & Equipment \$	2017 \$	2016 \$
COST:						
Balance, Beginning of Year	3,016,836	27,159,014	199,824	566,787	30,942,461	30,696,541
Acquisition of tangible capital assets	116,319	-	-	-	116,319	245,920
Disposal of tangible capital assets	(286,829)	(88,820)	-	-	(375,649)	-
Balance, End of Year	2,846,326	27,070,194	199,824	566,787	30,683,131	30,942,461
ACCUMULATED AMORTIZATION:						
Balance, Beginning of Year	2,287,907	7,003,128	187,239	480,322	9,958,596	9,161,886
Annual amortization	227,880	502,056	3,335	17,300	750,571	796,710
Accumulated amortization on disposals	(245,893)	(30,950)	-	-	(276,843)	-
Balance, End of Year	2,269,894	7,474,234	190,574	497,622	10,432,324	9,958,596
NET BOOK VALUE	576,432	19,595,960	9,250	69,165	20,250,807	20,983,865

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A

Consolidated Statement of Financial Activities by Program - Schedule 3

For the year ended March 31, 2017

	INAC & LSLIRC Revenue \$	Other \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$	Capital Expenditures \$	2017 Surplus (Deficit) \$	2016 Surplus (Deficit) \$
Aboriginal Skills and Employment								
Training Strategy (ASETS)	415,976	(94,364)	321,612	321,612	-	-	-	(35,463)
Administration	814,689	1,516,502	2,331,191	1,147,827	1,183,364	-	1,183,364	931,538
Alberta Future Leaders	-	35,400	35,400	35,432	(32)	-	(32)	-
CMHC Housing	-	1,126,999	1,126,999	522,643	604,356	-	604,356	784,088
Chief and Council	-	50,000	50,000	651,560	(601,560)	-	(601,560)	(955,643)
Child Welfare Committee	50,000	87,523	137,523	137,499	24	-	24	(249)
Communities at Risk	160,000	(36,373)	123,627	123,627	-	-	-	-
Consultation	-	1,720,154	1,720,154	893,574	826,580	93,584	732,996	429,663
Daycare	124,598	30,450	155,048	137,602	17,446	-	17,446	15,116
Economic Development	247,285	(7,037)	240,248	824,262	(584,014)	12,500	(596,514)	(946,488)
Education	3,469,597	86,951	3,556,548	3,557,995	(1,447)	-	(1,447)	(43,432)
First Nations Development	-	739,131	739,131	739,131	-	-	-	(160,165)
Health	-	1,496,441	1,496,441	1,500,257	(3,816)	-	(3,816)	(6,443)
Housing	675,191	(190,094)	485,097	463,597	21,500	-	21,500	223,807
Unfunded Projects	-	-	-	-	-	-	-	(30,429)
Public Works	1,407,501	(154,409)	1,253,092	1,253,092	-	10,235	(10,235)	(39,628)
Social Development	1,617,718	7,897	1,625,615	1,750,328	(124,713)	-	(124,713)	(83,761)
	8,982,555	6,415,171	15,397,726	14,060,038	1,337,688	116,319	1,221,369	82,511

The accompanying notes form part of these financial statements.

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

DESCRIPTION OF OPERATIONS

The Chief and Council of Sucker Creek First Nation #150A's (the "First Nation") primary function is to administer the affairs of Sucker Creek First Nation #150.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Sucker Creek First Nation #150 are the representations of the management prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Professional Accountants.

(a) Basis of Accounting

The financial statements are prepared using accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted as deferred revenue until used for the purpose specified.

Revenue is recognized in the period when the related expenses are incurred, services performed or the related tangible capital assets are acquired or built.

(b) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a declining balance method over the estimated useful life of the assets at the annual rates as follows:

Automotive	30%
Buildings	4%
Computer equipment	30%
Machinery and equipment	20%

Annual amortization is charged in the year of acquisition and not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES - continued

(b) Non-Financial Assets - continued

iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operation leases and the related lease payments are charges to expenses as incurred.

(c) Cash and Cash Equivalents

Cash and cash equivalents consists of cash deposited in a Canadian financial institution, and is not subject to significant risk of change in value.

(d) Revenue Recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Statement of Financial Position.

(e) Band Trust Funds

Band trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust fund accounts, or are receivable or accrued at year-end, which have been authorized by Indigenous and Northern Affairs Canada (INAC) and were approved by a band council resolution (BCR). The amounts on deposit with the Government of Canada are audited by the Auditor General of Canada.

(f) Investment In Subsidiaries

The investment in Sucker Creek Holdings Ltd., Sucker Creek Gas Utility, Arcadia Ridge Contracting Limited Partnership, and SCFN Services Limited Partnership are included in these financial statements using the modified equity method as detailed in Note 11.

2. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

3. ECONOMIC DEPENDENCE

The Sucker Creek First Nation #150A receives the majority of its funding from Indigenous and Northern Affairs Canada (INAC). The Nation is also dependent on Health Canada for funding to run its health program through a health funding consolidated contribution agreement.

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements

March 31, 2017

4. INVESTMENTS

Investments in Guaranteed Investment Certificates at the Royal Bank of Canada with interest rates ranging from 0.0010.% to 0.50% and maturity dates from August 2017 to March 2018.

5. ACCOUNTS RECEIVABLE

	2017	2016
	\$	\$
Government Agencies		
CMHC	-	29,261
FNDF	174,141	199,235
Government of Alberta	20,250	29,887
INAC	65,015	164,585
LSLIRC	-	49,754
Treaty 8	-	12,300
GST Receivable	35,319	55,554
Members	1,782,880	1,771,099
Trade Accounts	950,837	573,667
Allowance for Doubtful Accounts	(2,349,220)	(2,306,441)
	679,222	578,901

6. LINE OF CREDIT

The ATB line of credit has a maximum of \$500,000, is payable on demand, bearing interest of prime plus 2.00%. As of March 31, 2017, \$0 was drawn on this line of credit (2016 - \$217,332).

7. DEFERRED REVENUE

	2017	2016
	Total	Total
	\$	\$
First Nation Dev.	22,658	11,264
Housing	190,094	-
Economic Development	183,013	-
Medical Services	-	68,115
Public Works	374,598	-
ASETS	94,364	-
Communities at risk	36,373	-
	901,100	79,379

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

8. LONG-TERM LIABILITIES

	2017	2016
	\$	\$
3.95% Peace Hill Trust mortgage payable in monthly installments of \$1,531, maturity June, 2018. Date of credit facility agreement June 1998.	22,588	39,778
3.95% Peace Hill Trust mortgage payable in monthly installments of \$4,226, maturity April, 2018. Date of credit facility agreement November 1997.	54,109	101,850
3.95% Peace Hill Trust mortgage payable in monthly installments of \$1,270 maturity April, 2017. Date of credit facility agreement November 1996.	159	15,128
3.95% Peace Hill Trust mortgage payable in monthly installments of \$1,851 maturity May, 2017. Date of credit facility agreement November 1996.	3,697	25,379
1.82% CMHC mortgage payable in monthly principal and interest payments of \$1,076, maturity May, 2024. Renewal September 2019.	86,856	98,107
1.08% CMHC mortgage payable in monthly principal and interest payments of \$1,043, maturity April, 2025. Renewal August 2020.	96,946	108,366
1.08% CMHC mortgage payable in monthly principal and interest payments of \$965, maturity June, 2025. Renewal August 2020.	91,415	101,956
1.11% CMHC mortgage payable in monthly principal and interest payments of \$925, maturity January, 2026. Renewal April 2021.	93,482	103,572
1.53% CMHC mortgage payable in monthly principal and interest payments of \$1,601, maturity November, 2027. Renewal December 2017.	189,279	205,502
1.53% CMHC mortgage payable in monthly principal and interest payments of \$2,345, maturity November, 2027. Renewal December 2017.	277,213	300,974
1.67% CMHC mortgage payable in monthly principal and interest payments of \$2,886, maturity April, 2028. Renewal June 2018.	350,796	379,393
1.92% CMHC mortgage payable in monthly principal and interest payments of \$1,326, maturity April, 2029. Renewal April 2019.	171,933	184,469

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

8. LONG-TERM LIABILITIES - continued	2017	2016
	\$	\$
1.04% CMHC mortgage payable in monthly principal and interest payments of \$2,884, maturity September, 2030. Renewal October 2020.	436,114	466,079
1.14% CMHC mortgage payable in monthly principal and interest payments of \$1,283, maturity May, 2031. Renewal June 2021.	201,560	214,509
1.01% CMHC mortgage payable in monthly principal and interest payments of \$1,324, maturity February, 2031. Renewal February 2021.	206,434	220,187
1.53% CMHC mortgage payable in monthly principal and interest payments of \$7,699, maturity October, 2027. Renewal December 2017.	903,526	981,698
2.11% CMHC mortgage payable in monthly principal and interest payments of \$3,986, maturity October, 2028. Renewal January 2019.	492,286	529,509
1.65% CMHC mortgage payable in monthly principal and interest payments of \$1,209, maturity June, 2027. Renewal June 2017.	136,963	149,136
1.30% CMHC mortgage payable in monthly principal and interest payments of \$1,198, maturity December, 2035. Renewal December 2020.	239,479	250,696
1.05% CMHC mortgage payable in monthly principal and interest payments of \$5,910, maturity August, 2036. Renewal August 2021.	1,246,553	1,302,612
1.43% CMHC mortgage payable in monthly principal and interest payments of \$4,464, maturity March, 2037. Renewal April 2022.	933,090	974,367
1.77% CMHC mortgage payable in monthly principal and interest payments of \$3,300, maturity November, 2039. Renewal November, 2019.	740,384	766,685
5.49% RBC loan payable in monthly principal and interest payments of \$1,340, maturity May, 2010.	-	2,674
4.75% John Deere loan payable in monthly principal and interest payments of \$5,706, maturity November, 2018.	109,516	171,190
	7,084,378	7,693,816

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

8. LONG-TERM LIABILITIES - continued

Long-term debts are secured by:

The Peace Hills Trust mortgage loans are guaranteed by the Minister of Indian Affairs.

Interest paid on long-term liabilities amounted to \$121,104 (2016 - \$173,206) during the year.

Future principal repayments on long-term liabilities are estimated as follows:

	\$
2018	443,187
2019	429,938
2020	389,170
2021	381,347
2022 and thereafter	5,440,736
	7,084,378

9. RESERVES

At year-end the Reserves consists of the following:

	2017 \$	2016 \$
Bursary fund	15,844	15,844
CMHC Operating reserve	247,109	247,109
CMHC Replacement reserve	1,627,304	1,487,593
Skating rink fund	17,446	17,446
	1,907,703	1,767,992

Under the terms of the agreements with Canada Mortgage and Housing Corporation (CMHC), the Replacement Reserve account is to be credited annually plus interest. The funding for the current year is \$139,711 (2016 - \$144,711). These funds, along with accumulated interest, must be held in a separate bank account and 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. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal.

Under the terms of agreement with CMHC, any surplus revenue, after payments of all costs and expenses including the allocation to the Replacement Reserve, will be retained by the First Nation within an Operating Reserve fund. All interest earnings must accrue to and be maintained in the Operating Reserve fund. The fund may be only used for the ongoing operating costs of the housing projects committed under the 1997 On-Reserve Program. Accordingly, future years deficits may be recovered from the fund.

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

10. TRUST FUNDS

The Government of Canada - Indigenous and Northern Affairs Canada (INAC) has custody of the Capital fund on behalf of the First Nation and has full responsibility for the investment of this fund. Income from Oil and Gas royalties, surface rights, and interest income from investment of the capital fund is collected and controlled by the Government of Canada - INAC. Capital funds held by INAC cannot be disbursed or committed by the First Nation without approval from the Government of Canada. Revenue funds held by INAC can be disbursed by Band Council Resolution (BCR).

11. INVESTMENTS IN AND ADVANCES TO (FROM) WHOLLY OWNED SUBSIDIARIES AND INVESTMENTS

	2017	2016
	\$	\$
<hr/>		
(a) Sucker Creek Holdings Ltd. - 100% ownership		
Shares	1	1
Advances to (from)	332,853	346,848
Accumulated deficit in earnings	(277,492)	(193,251)
	<hr/>	<hr/>
	55,362	153,598
<hr/>		
(b) Sucker Creek Gas Utility - 100% ownership		
Advances	373,128	375,037
Accumulated deficit in earnings	(170,920)	(194,148)
	<hr/>	<hr/>
	202,208	180,889
<hr/>		
(c) Advances to Sucker Creek First Nation Co-op - 100% ownership		
Advances	849	849
<hr/>		
(d) SCFN Services Limited Partnership - 99.999% ownership		
Accumulated deficit in earnings	(597,054)	-
<hr/>		
(e) Arcadia Ridge Contracting Limited Partnership - 99.999% ownership		
Advances	-	45,665
Accumulated surplus (deficit) in earnings	1,271	(72,784)
	<hr/>	<hr/>
Total investments	(337,364)	308,217

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements

March 31, 2017

11. INVESTMENTS IN AND ADVANCES TO (FROM) WHOLLY OWNED SUBSIDIARIES AND INVESTMENTS - continued

March 31, 2017 unaudited financial information for Arcadia Ridge Contracting Limited Partnership is as follows:

	March 31 2017	March 31 2016
	\$	\$
Assets	1,271	640,102
Liabilities	-	2,095,734
Revenue	2,013,902	1,121,122
Net earnings (loss) for the year	1,503,201	(516,759)

March 31, 2017 unaudited financial information for Sucker Creek Holdings Ltd. is as follows:

	March 31 2017	March 31 2016
	\$	\$
Assets	72,885	171,122
Liabilities	350,376	364,372
Revenue	178,844	-
Net loss for the year	(84,241)	(9,845)

December 31, 2016 audited financial information for Sucker Creek Gas Utilities is as follows:

	December 31 2017	December 31 2016
	\$	\$
Assets	225,677	201,179
Liabilities	396,597	395,328
Revenue	191,132	204,731
Net earnings (loss) for the year	23,229	40,621

March 31, 2017 draft audited financial information for SCFN Services Limited Partnership is as follows:

	March 31 2017
	\$
Assets	1,744,967
Liabilities	2,342,021
Revenue	4,362,596
Net earnings (loss) for the year	(597,054)

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
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12. EQUITY IN CAPITAL ASSETS

	2017	2016
	\$	\$
Capital assets (Schedule 2)	30,683,131	30,942,461
Accumulated amortization (Schedule 2)	(10,432,324)	(9,958,596)
Long-term liabilities (Note 8)	(7,084,378)	(7,693,816)
Loss on disposal of assets	-	(16,062)
	13,166,429	13,273,987

13. EQUITY IN ENTERPRISE FUND

	2017	2016
	\$	\$
Balance, beginning of year	308,217	698,444
Advances (repayments) to controlled entities	(61,569)	45,541
Surplus (loss) from controlled entities	(584,013)	(435,768)
Balance, end of year	(337,365)	308,217

14. EQUITY IN TRUST FUNDS

	Capital	Revenue	Total
	\$	\$	\$
Balance, Beginning of year	1,731,138	185,755	1,916,893
Royalties	-	93,763	93,763
Recovery	(8,478)	-	(8,478)
Balance, End of year	1,722,660	279,518	2,002,178
BCR			
NUMBER PROGRAM			
456-057-16-17 Administration	-	250,000	250,000
456-058-16-17 Administration	400,000	-	400,000
	400,000	250,000	650,000
Balance, End of year	1,322,660	29,518	1,352,178

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

15. ACCUMULATED SURPLUS

	2017	2016
	\$	\$
Unrestricted surplus	(2,609,652)	(3,883,970)
Reserves	-	-
Equity in tangible capital assets	13,166,429	13,273,987
Equity in enterprise fund	(337,365)	308,217
Equity in trust funds	1,352,178	1,916,893
	11,571,590	11,615,127

16. COMMITMENT

As at March 31, 2017 Sucker Creek First Nation #150A is contingently liable for the following loan:

	2017	2016
	\$	\$
Bank of Montreal	151,823	164,821

Bank of Montreal - a band member had taken out a mortgage for a house on reserve with a term to October 2017 and an amortization period to October 2033. The interest rate on the mortgage is 4.04% calculated semi-annually. This mortgage is guaranteed by Sucker Creek First Nation #150A.

17. GOING CONCERN

These financial statements have been prepared in accordance with accounting principles that apply to a going concern. Under the going concern assumption, an entity is viewed as being able to continue its operations in the foreseeable future and realize its assets and discharge its liabilities in the normal course of operations.

The Nation's ability to continue as a going concern depends on its ability to improve operations, access additional financing and obtain the ongoing support of its creditors.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate because management feels that the measures it intends to take will improve operations and a refinancing of accounts payable will mitigate the effect of the conditions and facts that raise doubt about the appropriateness of this assumption.

Sucker Creek First Nation #150A
Notes to the Consolidated Financial Statements
March 31, 2017

18. FINANCIAL INSTRUMENTS AND CONCENTRATION OF RISK

The Nation's financial instruments consist of accounts receivable, investments, trust funds, accounts payable, bank indebtedness and long-term liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Credit Risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Nation by failing to discharge an obligation. The Nation's credit risk is mainly related to accounts receivable. The Nation provides credit to its clients in the normal course of its operations and assesses on a continuous basis the accounts receivable and records any amounts that are not collectible in the allowance for doubtful accounts.

Market Risk

Market risk is the risk that the fair value or future cash flows of the Nation's financial instrument will fluctuate because of changes in market prices. Some of the Nation's financial instruments expose it to this risk which comprises currency risk, interest rate risk, and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Nation may purchase services and goods from outside of Canada and incurs expenditures in foreign currency.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. The Nation is exposed to interest rate risk on its bank account balances and any of its fixed and/or floating interest rate financial instruments.

Liquidity Risk

Liquidity risk is the risk that the Nation will encounter difficulty in meeting its obligations associated with financial liabilities. The Nation manages its liquidity risk by monitoring its operating requirements and cash forecasts to ensure it has sufficient funds to fulfil its financial obligations.

19. BUDGET FIGURES

The budgeted figures have not been audited.

20. COMPARATIVE FIGURES

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