



Affaires indiennes et du Nord Canada Indian and Northern Affairs Canada

# Year-end Reporting Handbook

**for First Nations, Tribal Councils and First Nation Political Organizations**

**NOVEMBER 2003**

A vertical decorative bar on the right side of the cover. It features a red background with a faint, stylized map of Canada. At the bottom, there is a small inset image of a red maple leaf on a white background, and a blue and white striped border. Below this, the word "Canada" is written in a white serif font on a yellow background.

Canada

# **Year-end Reporting Handbook for First Nations, Tribal Councils and First Nation Political Organizations**

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## 1.0 INTRODUCTION

This document replaces the *Year-end Reporting Handbook for First Nations, Tribal Councils and First Nation Political Organizations* dated November 2002. It provides direction to Indian and Northern Affairs Canada (INAC) Recipients that are First Nations, Tribal Councils or First Nation Political Organizations and to their Agencies regarding their financial reporting requirements.

This handbook must be read in conjunction with the Recipient's funding agreement. Terms and conditions of the funding agreement specify that the Recipient must submit consolidated audited financial statements prepared in accordance with this handbook to INAC and to community members. INAC receives and reviews this financial information in order to: determine whether funds have been expended for the purposes intended; ensure terms and conditions of funding agreements have been met; and ensure that the recipient's financial situation is sufficiently stable in order to assure continued delivery of funded services.

Recipients' financial reporting of INAC funding shall be prepared in accordance with generally accepted accounting principles (GAAP). The financial statements shall be audited and shall consolidate the activities of the entire reporting entity as defined in GAAP.

This handbook does not detail GAAP requirements. It only details specific financial reporting requirements for purposes of accountability for federal Transfer Payments. The Recipient is responsible for ensuring that all financial reporting requirements are met. It is therefore recommended that Recipients provide this handbook to their auditors and to any Agencies to which they have transferred any Transfer Payments in order to assist them in comprehending the Recipient's and their funded Agencies' financial reporting requirements.

## 2.0 SCOPE OF HANDBOOK

This handbook applies to First Nations, Tribal Councils and First Nation Political Organizations that are funded through an INAC funding agreement. It also applies to the Agencies that have received funding from these Recipients.

## 3.0 REFERENCES

Canadian Institute of Chartered Accountants (CICA) Handbooks

*Financial Administration Act of Canada*

Funding Agreement between the Recipient and INAC

Funding Agreement between the Recipient and its Agency

INAC Financial Policies and Procedures Manual, Chapter 5.10 - Recipient Audit

INAC Financial Policies and Procedures Manual, Chapter 5.11 - Intervention

INAC Financial Policies and Procedures Manual, Chapter 5.17 - Financial Reporting Requirements for Recipients Other Than First Nations, Tribal Councils and First Nation Political Organizations

INAC Manual for the Administration of Band Moneys

*Indian Act*

*Indian Bands Revenue Money Regulations*

Treasury Board of Canada Secretariat Policy on Transfer Payments

## 4.0 DEFINITIONS

For purposes of this handbook:

**“Agency”** means an authority, board, committee, other entity, or in the case of a Tribal Council, a Member First Nation, authorized to act on behalf of the Recipient.

**“First Nation”** means a “band” within the meaning of the *Indian Act*.

**“First Nation Political Organization”** means an organization established by a number of First Nations with common interests who voluntarily join together in view of carrying on political type activities. These organizations are typically lead by the Chiefs of the Member First Nations and/or by individuals chosen by the Member First Nations to represent their community in the organization.

**“Recipient”** means an entity that has received Transfer Payments under the terms and conditions of an INAC funding agreement.

**“Transfer Payments”** means payments made from budgetary appropriations for which no goods or services are received by the Crown.

**“Tribal Council”** means an organization established by a number of bands with common interests who voluntarily join together to provide advisory and/or program services to Member First Nations.

## **5.0 GENERAL FINANCIAL REPORTING REQUIREMENTS**

### **5.1 Financial Statements - Recipients**

The Recipient shall provide INAC with consolidated financial statements in accordance with GAAP. They shall be audited in accordance with generally accepted auditing standards.

### **5.2 Financial Statements - Agencies**

In certain instances INAC may provide Transfer Payments to a Recipient that in turn further distributes payments to an Agency for the delivery of programs and services funded under the terms and conditions of a Funding Agreement. Where the Recipient has transferred funding to an Agency, the Recipient remains accountable to INAC for the performance of its obligations as set out in the Funding Agreement. Therefore, where the Recipient has transferred funding to an Agency, the Agency shall provide to the Recipient its financial statements. Also, upon written request from INAC to the Recipient, a copy of the Agency’s financial statements shall be made available to INAC.

For purposes of accounting for Transfer Payments, Agencies shall prepare their financial statements as follows:

- For Agencies that are either a First Nation, a Tribal Council or a First Nation Political Organization, the financial statements shall be prepared in accordance with the requirements set out in this handbook.

- For other types of Agencies, the financial statements shall be prepared in accordance with INAC's *Financial Policies and Procedures Manual, Chapter 5.17 - Financial Reporting Requirements for Recipients other than First Nations, Tribal Councils and First Nation Political Organizations*.

### **5.3 Generally Accepted Accounting Principles - First Nations**

First Nations are, and should be, considered governments from an accounting perspective. Currently the CICA Public Sector Accounting Handbook (PSA Handbook) applies to all other forms of governments in Canada. GAAP for First Nations must be based on the application of the CICA recommendations for **local governments** as outlined in the PSA Handbook. There has been discussion and research on the appropriate GAAP for First Nations and until such time as these issues are resolved within the accounting standard setting community, it is INAC's view that the "best fit" for First Nation entities lies in the PSA Handbook local government accounting recommendations.

### **5.4 Generally Accepted Accounting Principles - Tribal Councils and First Nation Political Organizations**

Tribal Councils and First Nation Political Organizations must adhere to the PSA Handbook accounting recommendations for local governments unless GAAP definitions and recommendations deem them to be more profit oriented enterprises or not-for-profit organizations. In those cases, the Recipient should follow the relevant recommendations found in the CICA Handbook.

## **6.0 INDIAN AND NORTHERN AFFAIRS CANADA FINANCIAL REPORTING REQUIREMENTS FOR RECIPIENTS**

### **6.1 Program / Service Revenues and Expenditures Schedules (see Annex A for example)**

In addition to the consolidated financial statements required by GAAP, INAC requires that Recipients prepare separate schedules of revenue and expenditure for programs and services specified in the funding agreement.

At a minimum, the Program/Service Revenue and Expenditure Schedules shall:

- present the information for the Program/Service identified as a Contribution in the Funding Agreement separately and shall not combine the information for the Programs/Services identified as Flexible Transfer Payments with the information for the Programs/Services identified as Contribution;
- account for revenues by source;

- disclose expenditures by object. Objects of expenditures represent items such as employee salaries and benefits, debt servicing, material and supplies and professional fees;
- present cumulative surpluses (deficits); and
- detail opening and closing balances of deferred revenue;

Although Program/Service and Revenue and Expenditure Schedules need not be individually audited, the overall balances must be audited as part of the auditor's attestation on the summary/consolidated financial statements.

## **6.2 Presentation of Member's Equity in the Recipient's Summary (consolidated) Statement of Financial Position**

The Member's Equity section (or retained earnings / net assets for recipients reporting under CICA accounting recommendations rather than PSA Handbook recommendations) presented in the recipients Summary (consolidated) Statement of Financial Position (balance sheet for recipients reporting under CICA accounting recommendations rather than PSA Handbook recommendations) should disclose the following separately, where applicable:

Equity in physical assets fund (fixed assets)  
 Equity in trust fund  
 Equity in enterprise fund  
 Equity in operating fund.

**Equity in physical assets fund (fixed assets)** means the value/cost of assets in investments such as social housing, building of roads and of other permanent long-term infrastructure. Also, equity derived from other capitalization that do not affect the day to day operations of the recipient should be included in this amount.

**Equity in trust fund** means the cumulative surplus which results from the funds held in trust on behalf of the recipient. These trust funds include trust funds held by INAC in the Government of Canada's Consolidated Revenue Fund (CRF) and other privately held trusts such as Treaty Land Entitlement trust funds. Where the recipient owns both privately held trusts and trust funds held in the CRF, these should be presented separately.

**Equity in enterprise fund** means the cumulative surplus/deficit which results from the operations of businesses in the reporting entity that are considered "Government Business Enterprises" as defined in the PSA Handbook. The operations of these business activities should be accounted for using the modified equity method rather than the full line-by-line consolidation method.



**Equity in operating fund** means the cumulative surplus/deficit which results from the activities relating to the delivery of programs and services. Therefore, the equity in the operating fund incorporates the cumulative results that are not included in the physical assets fund, the trust fund and the enterprise fund.

### **6.3 Funds Held in Trust (Annexes B-C)**

There are two categories of Funds Held in Trust (FHIT) – those held by INAC in the Government of Canada’s Consolidated Revenue Fund (CRF) and those held in private trusts outside of the CRF. These two types of FHIT should be disclosed separately in the recipient’s financial statements.

FHIT withdrawn from the CRF in accordance with sections 64, 66 and 69 of the *Indian Act* must be accounted for and reported on in the financial statements. A “Statement of Receipt and Expenditure of Indian Moneys - Capital Trust Moneys” (see Annex B) or a “Statement of Receipt and Expenditure of Indian Moneys - Revenue Trust Moneys” (see Annex C) must be completed. These statements are to be audited by the auditor and form part of the audited financial statements to be submitted to INAC. This requirement is based on the *Indian Act* and on the *Indian Bands Revenue Money Regulations*.

FHIT withdrawn from the CRF can only be withdrawn based on the *Indian Act* and the *Indian Bands Revenue Moneys Regulations* by way of a Band Council Resolution (BCR). First Nations submit BCRs to INAC requesting the release of their Band Capital and Revenue Trust funds. These funds are to be expended for the purposes outlined in the BCR. The BCR should be used as the source document to ensure the expenditures reported in Annexes B and C have been expended for the purposes intended and in the appropriate service or program area. Where First Nation Trust Funds have been released to a First Nation, the level of detail contained in the audited financial statements must be sufficient to enable departmental officials to confirm that these moneys were used for the purpose for which they were authorized. Therefore, withdrawals from Trust funds must be separately identified as being a source of revenue within the particular program or service schedule (see Annex A). It should be noted that INAC provides recipients with a monthly statement of accounts detailing the transactions of their FHIT in the CRF.

These schedules (Annexes B and C) must be audited by the auditor and forms part of the audited financial statements to be submitted to INAC.

## **6.4 Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration (Annexes D - E - F)**

### **6.4.1 Requirement for Schedules of Salaries, Honoraria, Travel and Other Remuneration**

The recipient must disclose to community members and to INAC compensation earned or accrued by elected or appointed officials and by unelected senior officials. At a minimum, the schedules must include the information described below in the *Elected or Appointed Officials (Annex D)* and *Unelected Senior Officials (Annexes E - F)* sections.

### **6.4.2 Elected or Appointed Officials (Annex D)**

A “Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration” must be prepared in accordance with Annex D.

The amounts to be disclosed must be from all sources within the recipient’s financial reporting entity including amounts from, but not limited to, economic development and other types of business corporations. The amounts included in this schedule must have been earned or accrued by elected or appointed officials and could include amounts such as travel expenses, debt write-offs, salaries and benefits from other employment in the reporting entity, and dividends or other such amounts received from businesses included in the recipient’s reporting entity.

For the purposes of this section, the elected or appointed officials are:

- The elected Chief and Council;
- In organizations with a Board of Directors, either the elected and/or appointed representatives in charge of the organization; and
- In instances where additional amounts are earned or accrued by any other elected Chiefs and Councils, that are not elected officials of the reporting entity, then the amounts earned or accrued by these individuals should also be disclosed.

### **6.4.3 Unelected Senior Officials (Annexes E - F)**

A “Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration”, must be prepared in accordance with either Annex E or Annex F.

#### Option 1 - Annex E

The schedule in Annex E must disclose salary, honoraria, travel and other remuneration that have been earned or accrued by the Recipient’s unelected officials such as Executive Directors, Band Managers and Senior Program Directors by virtue of the position held.

## Option 2 - Annex F

This option may only be used when approved salary ranges are in place. The schedule in Annex F requires for each position disclosure of the approved salary range and the actual expenses for honoraria, travel and other remuneration that have been earned or accrued by the Recipient's unelected officials such as Executive Directors, Band Managers and Senior Program Directors by virtue of the position held.

### **6.4.4 Auditor's Attestation**

The schedules described above (Annexes D-E-F) must be accompanied by one of the following auditor's attestations:

- an auditor's report;
- an auditor's review engagement report; or
- an auditor's derivative report containing, at a minimum, the following elements:
  - that the auditor has audited and reported separately on the consolidated financial statements;
  - that an audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole;
  - that the attached supplementary information is presented for purposes of additional information to the Membership and does not form part of the consolidated financial statements; and
  - that the schedule has been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

### **6.5 Auditor's Management Letter**

CICA Handbook assurance recommendation 5220.07 states that "The auditor should communicate to the audit committee or equivalent, significant weaknesses in internal control which the auditor identifies during the course of the financial statement audit". This communication is either referred to as an "Auditor's Management Letter" or an "Internal Control Letter". These Auditor's Management Letters and the recommendations contained therein are valuable management tools to help build recipient financial and administrative capacity.

It is strongly recommended that this information be provided to INAC in all instances. However, the recipient must submit this information to INAC in all cases where a recipient is in default of its Funding Agreement and INAC deems that an intervention is required. When INAC has already imposed an intervention on the recipient, this requirement is mandatory. When the recipient has just become in default of its Funding Agreement, INAC will request this information upon communication of the intervention.

## 6.6 Funding Reconciliation (Mandatory)

INAC must be able to reconcile funds provided to the Recipient. As a result, the following reconciliation must be submitted:

INAC Revenue per Financial Statements	\$ x
less: prior year deferred revenue	( x )
add: current year deferred revenue	<u> x</u>
INAC Revenue per funding confirmation	<u>\$ x</u>

In addition, the following information must be submitted in the funding reconciliation:

- amounts due to / from INAC;
- detailed explanation of the discrepancies between the amounts stated in the agreement and the amounts in the financial statements;
- reference of the correspondent page of the Financial Statements;
- for Block Funded or Core Funded Services, details regarding transfers of INAC funding between Block Funded or Core Funded services; and
- other adjustments.

## 7.0 FEDERAL GOVERNMENT FUNDING - FINANCIAL REPORTING REQUIREMENTS (ANNEXES G - H - I - J)

### 7.1 Scope

The requirement to provide INAC with a Schedule of Federal Government Funding Schedule applies to First Nations, Tribal Councils and First Nation Political Organizations.

The following Transfer Payments are to be included in the Schedule:

- Transfer Payments directly received from any federal government department; and
- Transfer Payments that have flowed through another organization and that have ultimately been transferred to a Recipient. This funding must be traceable to a federal government funding source.

The amounts transferred to recipients for Comprehensive, Specific and other claims settlements are not to be included in the Schedule.

## **7.2 Background**

The Government of Canada acknowledges and respects the confidentiality of the Recipient's consolidated audited financial statements.

However, Canada is accountable for the public funds it administers. The release of the following information to the general public respecting where public funds have been spent will serve to inform of the many programs and services delivered by the recipient. Therefore, all recipients referred to in Section 7.1 that receive Transfer Payments must report on and disclose their use of federal government funding in the format described in 7.3 or 7.4. The option described in Section 7.4 is considered the minimum level of disclosure respecting the use of public funds.

## **7.3 Disclosure with Consolidated Financial Statements**

If a recipient prefers full disclosure to the public of its consolidated financial statements prepared in accordance with the YERH instead of preparing a separate financial schedule as outlined in 7.4, then the recipient must accompany its financial statements with a signed Band Council Resolution, Chief's Resolution or other similar document authorizing the Government of Canada to disclose the information to the general public.

The information requirements set out in Sections 6.3, 6.4, 6.5 and 6.6 of the YERH are not mandatory for public disclosure using this option. The choice to omit this information must be signified through the signed Band Council Resolution, Chief's Resolution or other similar document that is submitted to INAC.

## **7.4 Instructions for Preparing the Schedule**

The schedule contained in Annex G must be prepared in the following manner:

- 1) Amounts must be broken out by individual federal government department which fund the recipient.
- 2) For purposes of this schedule, amounts relating to each of the federal government departments may be presented using the federal government program and service categories set out in Annexes H through J. A similar level of detailed program reporting framework may also be used if it is considered a more accurate description of the Recipient's activities. For federal government departments that are not detailed in Annexes H through J, only the total amounts relating to that federal government department may be presented. Recipients who wish to expand on the detail or explanation of the funding and related expenditures may do so. This expanded detail may include reporting by types of expenditures under each program area or explanatory notes to the Schedule.

3) The Schedule must contain all of the following categories:

- Federal Funding Received: Total federal government funding received in the current year for that specific program or service category. In instances where funding is provided to a recipient under a “block funded transfer payment”, the amount should be presented in the program or service area where it has been budgeted/allocated by the recipient.
- Unexpended Funding - Beginning of Year: Total of unexpended amounts of federal government funding received in prior years. This amount may include surplus amounts retained by recipients, amounts due to the federal government that have not yet been reimbursed at the beginning of the year or deferred revenue at the beginning of the year, where permitted under the funding agreement.
- Adjustments/Transfers: Amounts of funding received that have been transferred from/to eligible programs and services where permitted under the funding agreement. This column may also include amounts that have been reimbursed to the federal government.
- Total Funding Available: Total of “Federal Funding Received”, “Unexpended Funding - Beginning of Year” and “Adjustments”.
- Expenditures are to be presented using either the “Funding Expended” or the “Total Expenditures From All Sources” options detailed below. This presentation must be consistently applied to all programs and the option should be clearly identified.
  - When using the “Funding Expended” option to present expenditures, the “Funding Expended” should be equivalent to the total federal government funding spent in the program or service area. When using this option, the total amount of “Funding Expended” must never exceed the “Total Funding Available”.
  - When using the “Total Expenditures From All Sources” option to present expenditures, the “Total Expenditures From All Sources” must be equivalent to the recipient’s total yearly expenditures for each program and service area in which federal government funding was received. When using this option, there are instances where the “Total Expenditures From All Sources” will exceed the “Total Funding Available” since some own-source revenue may have been used to fund the program or service.
- Unexpended Funding - End of Year: Total of unexpended amounts of federal government funding at the end of the year. This amount may include surplus amounts retained by recipients, amounts due to the federal government at the end of the fiscal year or deferred revenue, where permitted under the funding agreement. When using the option of “Total expenditures from All Sources” detailed above, this column is not required.

4) The Schedule must be accompanied by one of the following auditor's attestations:

- a separate auditor's report;
- an auditor's review engagement report; or
- an auditor's derivative report containing, at a minimum, the following elements:
  - that the auditor has audited and reported separately on the consolidated financial statements;
  - that an audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole;
  - that the attached supplementary information is presented for purposes of additional information and does not form part of the consolidated financial statements; and
  - that the schedule has been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

The auditor's attestation should not limit in any way the Government of Canada's ability to publicly disclose the Schedule of Federal Funding to the general public.

## **8.0 SUMMARY OF YEAR-END FINANCIAL REPORTING REQUIREMENTS**

The following must be provided to INAC as part of a Recipient's year-end submission:

- Auditor's report
- Summary (consolidated) Statement of Financial Position\* - **audited**
- Summary (consolidated) Statement of Financial Activities\* - **audited**
- Summary (consolidated) Statement of Changes in Financial Position\* - **audited**
- Notes to financial statements - **audited**
- Program/Service Revenues and Expenditures Schedules (Annex A)
- Statements of Receipt and Expenditure of Indian Moneys (Annexes B-C) - **audited**
- Schedules of Salaries, Honoraria, Travel Expenses and Other Remuneration (Annexes D - E - F) - **auditor's attestation**
- Auditor's Management Letter - **(as required in Section 6.5)**
- Funding Reconciliation - **mandatory**
- Schedule of Federal Government Funding (Annexes G-H-I-J)\*\* - **auditor's attestation**

### **Explanatory Notes:**

The financial statements must be approved by the recipient. This approval will be in the form of a signature on the Statement of Financial Position and may include a Management Report acknowledging management's responsibility for the financial statements.

The scope of the audit should be clear to the reader of the financial statements. The detail of which information has been audited is typically detailed in the introductory first paragraph of the auditor's report. All information contained in a note to the audited financial statements is also considered audited information.

- \* : If the recipient is either a Tribal Council or a First Nation Political Organization which through the application of GAAP definitions and recommendations should adhere to CICA accounting recommendations for profit oriented enterprises or not-for-profit organizations, then the equivalent consolidated financial statements should be provided.
- \*\* : A BCR which permits the public disclosure of the audited financial statements may be accepted instead of this Schedule.



## ANNEX A

### Revenues and Expenditures Schedule - Example

Sample First Nation  
Revenues and Expenditures Schedule  
Program and Service XXX  
For the Year Ended March 31, 20XX

	Budget 20(XX) \$	20(XX) \$	20(XX-1) \$
<b>Revenues</b>			
INAC			
Band trust funds released			
- Revenue trust moneys			
- Capital trust moneys			
Province			
User fees			
Plus: Deferred revenue beginning of year			
Less: Deferred revenue end of year			
Total Revenues	_____	_____	_____
<b>Expenditures</b>			
Wages and salaries			
Hydro			
Maintenance and repairs			
Materials and supplies			
Professional fees			
Telephone			
Interest and bank charges			
Total Expenditures	_____	_____	_____
<b>Surplus</b>			
Cumulative Surplus - beginning of year	_____	_____	_____
Cumulative Surplus - end of year	_____	_____	_____

**ANNEX B**

**Statement of Receipt and Expenditure of Indian Moneys  
Capital Trust Moneys**

.....First Nation  
For the Year Ended .....

<b>BCR</b>			<b>Receipt and Expenditure of Funds</b>			
<b>Date and No. of BCR</b>	<b>Date Funds Released to FN</b>	<b>Purpose for Release of Funds per BCR</b>	<b>Unexpended Prior Years Withdrawals from Trust Funds - Beginning of Year</b>	<b>Amount Received from Trust Funds</b>	<b>Actual Amount Spent</b>	<b>Unexpended Withdrawals from Trust Funds - End of Year</b>

**ANNEX C**

**Statement of Receipt and Expenditure of Indian Moneys  
Revenue Trust Moneys**

.....First Nation  
For the Year Ended .....

<b>BCR</b>			<b>Receipt and Expenditure of Funds</b>			
<b>Date and No. of BCR</b>	<b>Date Funds Released to FN</b>	<b>Purpose for Release of Funds per BCR</b>	<b>Unexpended Prior Years Withdrawals from Trust Funds - Beginning of Year</b>	<b>Amount Received from Trust Funds</b>	<b>Actual Amount Spent</b>	<b>Unexpended Withdrawals from Trust Funds - End of Year</b>





**ANNEX F**

**Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration  
Unelected Senior Officials  
(Option 2)**

**Recipient's Name .....**  
**For the Year Ended .....**

Name of individual	Position Title	Number of Months *	Approved Salary Range		Honoraria Expense	Travel Expenses	Other Remuneration
			From	To			

\* : The number of months during the fiscal year the individual was on staff

**ANNEX G**  
**Schedule of Federal Government Funding**  
**Format**

Federally Funded Programs and Services Directly / Indirectly Funded by the Government of Canada	Federal Funding Received  (a)	Unexpended Federal Funding Beginning of Year (b)	Adjustments / Transfers  (c)	Total Federal Funding Available  (a) + (b) + (c) = (d)	Federal Funding Expended  (e) <b>(OPTION 1)</b>	Unexpended Federal Funding End of Year  (d) - (e) <b>(OPTION 1)</b>
					Total Expenditures from All Sources <b>(OPTION 2)</b>	N/A  <b>(OPTION 2)</b>
<b>INAC</b> - Elementary / Secondary Education - Post-Secondary Education - Economic Development - Indian Government Support - Lands and Trust Services - Community infrastructure - Housing - Self-Government - Income Assistance/Social Assistance - Social Support Services - Other						
<b>Total</b>						

<p><b><u>Health Canada</u></b></p> <ul style="list-style-type: none"> <li>- Health Services</li> <li>- Aboriginal Diabetes Initiative</li> <li>- Aboriginal Headstart</li> <li>- Brighter Futures</li> <li>- BHC - Mental Health Crisis Mgmt</li> <li>- BHC - Solvent Abuse</li> <li>- Canada Prenatal Nutrition Program</li> <li>- Community Health Promotion and Injury/Illness Prevention</li> <li>- Community Health Primary Care (CHPC)</li> <li>- Environmental Health Program</li> <li>- Fetal Alcohol Syndrome/Fetal Alcohol Effects (FAS/FAE)</li> <li>- First Nations and Inuit Health Information System (FNIHIS)</li> <li>- First Nations and Inuit Home and Community Care (FNIHCC)</li> <li>- Health Careers</li> <li>- Health Consultations</li> <li>- HIV/AIDS</li> <li>- National Native Alcohol and Drug Abuse Program (NNADAP)</li> <li>- Non-Insured Health Benefits (NIHB)</li> <li>- Pre-transfer</li> <li>- Tobacco Control</li> <li>- Tuberculosis Elimination Strategy</li> <li>- Health Services Transfer</li> <li>- Integrated Health Services</li> <li>- Capital</li> <li>- Treatment Centres</li> </ul> <p><b>Total</b></p>						
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<b><u>CMHC</u></b>						
- Non-Profit On-Reserve Housing - RRAP Homeowner and Disabled Programs - RRAP Conversions - Home Adaptations for Seniors Independence Program - Shelter Enhancement Program - Housing Internship Initiative for FN and Inuit Youth						
<b>Total</b>						
<b><u>HRDC</u></b>						
<b><u>Fisheries and Oceans</u></b>						
<b><u>Canadian Heritage</u></b>						
<b><u>Solicitor General</u></b>						
<b><u>Industry Canada</u></b>						
<b><u>Natural Resources</u></b>						
<b><u>Justice</u></b>						
<b><u>Privy Council Office</u></b>						
<b><u>National Defence</u></b>						
<b><u>CCRA</u></b>						
<b><u>Other</u></b>						
<b>Total</b>						

## ANNEX H

### Schedule of Federal Government Funding INAC Programs and Services Categories

The following eleven program and service categories may be used to account for the INAC funding provided to recipients. These categories are based on the accountability structure which INAC uses to account for the transfer payments it administers in the Public Accounts of Canada. These categories are to be used by all recipients regardless of the type of funding agreement i.e., Comprehensive Funding Arrangement, Alternative Funding Arrangement, Financial Transfer Agreement, Canada / DIAND First Nations Funding Agreement.

1- Elementary/Secondary Education: Cost associated with instructional services in on-reserve schools (First Nation operated and federal), on-reserve students attending provincial schools, the provision of student support services (such as transportation, special education, counseling, accommodation, equipment and financial assistance) and cultural / educational programs in the school and at the community level. This category does not include the construction or operation and maintenance of educational facilities (these costs are included in the “community infrastructure” category). This category also includes education initiatives under *Gathering Strength* programs and the Youth Employment Strategy.

- Elementary/Secondary Instructional Services - Band Operated Schools
- Elementary/Secondary Instructional Services - Provincial Schools
- Education Support Services
- Youth Employment Strategy
- Cultural/Educational Centres
- Education Reform (*Gathering Strength*)

2- Post-Secondary Education: Costs associated with support provided to students such as tuition, student fees, tutorials, initial professional certification, examination fees, books and supplies which are listed as required by the post-secondary institution, travel costs and living expenses.

3 - Economic Development: Costs associated in finding and developing economic opportunities and markets. This category includes:

- Regional Opportunities
- Commercial Development
- Research and Advocacy
- Community Economic Development
- Project Review Committee - PRC
- Procurement Strategy for Aboriginal Business - PSAB
- Economic Development Opportunity Fund - EDOF (Including *Gathering Strength*)
- Resource Acquisition Initiative - RAI (Including *Gathering Strength*)
- Resource Partnership Program - RPP (previously known as Federal-Provincial Regional Partnerships (Including *Gathering Strength*))

**4 - Indian Government Support:** Overhead costs of municipal-type services on-reserve. These costs include salaries, benefits and administrative costs to First Nations administrative staff. This category includes:

- Consultation and Policy Development
- Band Support Funding
- Band Advisory Services
- Band Employee Benefits
- Indian/Inuit Management Development
- Comprehensive Community Based Planning
- Grants to Representative Status Indian Organizations
- Aboriginal Representative Organizations (*Gathering Strength*)
- Strengthening Accountability (*Gathering Strength*)
- Treaty Commissions & Discussions (*Gathering Strength*)

**5 - Lands and Trust Services:** Costs associated with the delivery of programs, services and policy development relating to the following activities:

- Elections and Leadership Selection
- Membership and Citizenship
- Additions to Reserve Lands
- Environmental
- Indian Moneys
- Land Management
- Law Making
- Natural Resources
- Wills and Estates
- Professional Development (*Gathering Strength*)
- Access to Lands and Resources (*Gathering Strength*)

**6 - Community Infrastructure:** Costs associated in the acquisition, construction, operation and maintenance of basic community physical infrastructure such as water and sewage services, community roads, electrification services, educational facilities, community buildings and fire protection, as well as the assessment and remediation of environmental contaminated on-reserve facilities. This category includes financial assistance and the value of any real property transferred from the federal government, pursuant to both normal programs such as the IIAP Community Facilities and Maintenance Program and the IIAP Environmental Issues Inventory and Remediation Program and any special infrastructure assistance priorities, such as Infrastructure Canada, Federal Rust-out initiatives and *Gathering Strength* for:

- Acquisition and/or construction of community physical assets and facilities (including fire protection facilities and equipment, educational facilities, teacherages but excluding housing)
- Operation and maintenance of community infrastructure facilities and other physical assets (including fire protection facilities and equipment, teacherages, and educational facilities but excluding housing)
- Inventory, assessment and remediation of historically contaminated on-reserve facilities
- Assistance to the First Nation to respond to, as well as their reimbursement to provincial governments for, forest fire protection to reserve lands and infrastructure
- Acquisition and/or construction of community physical assets and facilities - Rust Out Initiative
- Acquisition and/or construction of community physical assets and facilities - Infrastructure Canada Initiative
- Water and Wastewater, including *Gathering Strength*

7- Housing: Costs associated in the improvement of living conditions on-reserve by addressing the basic shelter needs of residents including the costs associated with the 1996 housing policy intended to encourage First Nations to adopt innovative approaches to improving their housing conditions. The new approach is based on four key elements: First Nation control; development of local capacity; shared responsibility; and improved access to sources of private capital funding. This category includes financial assistance from INAC, pursuant to both normal housing support programs, such as the IIAP housing Program, and any special housing assistance, for example under Gathering Strength, for:

- On-Reserve Housing Construction
- On-Reserve Housing Renovations
- On-Reserve Housing Support Services (including technical inspection services)
- Housing (*Gathering Strength*)

8- Self-Government: Costs associated with supporting Aboriginal groups to prepare for and engage in negotiations with federal and provincial or territorial governments on self-government agreements. Contributes and supports Aboriginal people in advancing governance capacities. This category includes:

- Self-Government Negotiations
- Self-Government Implementation
- Self-Government Policy
- Aboriginal Recognition Instruments (*Gathering Strength*)
- Re-orientation of Self-Government (*Gathering Strength*)
- Governance Transition Centre (*Gathering Strength*)

9- Income Assistance/Social Assistance: Cost of ensuring that people's basic needs for food, shelter, clothing and other essentials are met. This category includes:

- Income Assistance/Social Assistance - Basic Needs
- Income Assistance/Social Assistance - Special Needs
- Income Assistance/Social Assistance - Service Delivery

10- Social Support Services: Include community controlled First Nations Child and Family Services and Adult Care Services. This category includes:

- Child and Family Services
  - Maintenance
  - Operations
- Family Violence
- Assisted Living/Adult Care - Disabled Initiative
- National Child Benefit Reinvestment Initiative
- Assisted Living/Adult Care - excluding Disabled Initiative
- Social Development Program Management Infrastructure Initiative (SDPMI)

11- Other: All other programs and services that are not described in above categories.

**ANNEX I**  
**Schedule of Federal Government Funding**  
**Health Canada First Nations and Inuit Health**  
**Programs and Services Categories**

The following ten program and service categories may be used to account for the Health Canada First Nations and Inuit Health programs funding provided to recipients.

1- Health Services:

- Operations and Maintenance of Facilities & Residences (if program 7)
- Operations and Maintenance of Facilities & Residences (if program 3)
- Communicable Disease Control
- Health Boards & Health Coordinators

2- Aboriginal Diabetes Initiative

- Care & Treatment
- Prevention and Promotion
- Lifestyle Supp

3- Aboriginal Headstart

- Needs Assessment & Developmental Project
- Operational Projects
- Capital

4- Brighter Futures

- Mental Health
- Child Development
- Promotion - Injury Prevention
- Parent Skills Dev.
- Healthy Babies

5- BHC - Mental Health Crisis Mgmt

- Crisis Intervention
- Mental Health After Care & Rehabilitation
- Mental Health Training

6- BHC - Solvent Abuse

- Pre/Post Treatment
- SA Prevention
- Program Coordination

## 7- Canada Prenatal Nutrition Program

- Community Based Funding

## 8- Community Health Promotion and Injury/Illness Prevention

- Community Health Representative
- Community Health Nursing
- Nursing Training
- Support Services to Community Health
- Health Education

## 9- Community Health Primary Care (CHPC)

- Community Nursing
- Support Services to Community Health

## 10- Environmental Health Program

- Environmental Contaminants
- Transportation of Dangerous Goods
- Drinking Water Safety
- Environmental Health
  - FNIH Laboratory
  - Sustainable Development
  - Liaison, Inspection and Surveillance
  - Public Health Engineering
  - North. And Arctic Pollution
  - Eagle
  - Can. Envir. Assess Act
  - Environmental Research
  - Mold and Housing

## 11- Fetal Alcohol Syndrome/Fetal Alcohol Effects (FAS/FAE)

## 12- First Nations and Inuit Health Information System (FNIHIS)

- Other Initiatives
- Deployment
- Program Management and Governance
- Education/QA
- Capacity Building
- Integration

## 13- First Nations and Inuit Home and Community Care (FNIHCC)

- Needs Assessment and Development Project
- Service Delivery
- Capital
- Training
- Management Support

#### 14- Health Careers

#### 15- Health Consultations

- National/Provincial and Territorial First Nations

#### 16- HIV/AIDS

- Community Development
- Prevention
- Care, Treatment & Support

#### 17- National Native Alcohol and Drug Abuse Program (NNADAP)

- Prevention
- Training & Research
- Program Coordination

#### 18- Non-Insured Health Benefits (NIHB)

- Patient Transportation
- Drugs
- Vision Care
- Dental
- Crisis Intervention - Mental Health
- Medical Supplies & Equipment
- Management & Support

#### 19- Pre-transfer

#### 20- Tobacco Control

- Influencing Behaviours and Attitudes
- Building Capacity & Community
- Ensuring Compliance

#### 21- Tuberculosis Elimination Strategy

#### 22- Health Services Transfer

#### 23- Integrated Health Services

#### 24- Capital

#### 25- Treatment Centres

- NNADAP Treatment
- Solvent Abuse Treatment

**ANNEX J**  
**Schedule of Federal Government Funding**  
**Canada Mortgage and Housing Corporation**  
**Programs and Services Categories**

The following six program and service categories may be used to account for the Canada Mortgage and Housing Corporation funding provided to recipients.

1- Non-Profit On-Reserve Housing Program (Section 95): Any funding received for the on-going operations of on-reserve rental housing projects committed under the National Housing Act (NHA) Section 95.

2- Residential Rehabilitation Assistance Program (RRAP) - Homeowner and Disabled Programs: Any contributions received in the form of a forgivable loan by a First Nation for the repair or rehabilitation of existing substandard housing to a minimum level of health and safety and to build special access for persons with disabilities.

3- Residential Rehabilitation Assistance Program (RRAP) - Conversions: Any contributions received in the form of a forgivable loan by a First Nation for the conversion of non-residential properties into self-contained rental housing units or beds.

4- Home Adaptations for Seniors' Independence Program: Any contributions received by a First Nation to adapt housing to make it easier for seniors to continue living in their home.

5- Shelter Enhancement Program: Any contributions received in the form of a forgivable loan by a First Nation for the repair and upgrade of existing shelters for victims of family violence or the construction of new units.

6- Housing Internship Initiative for First Nations and Inuit Youth: Any funding received by a First Nation for the financial support of wages of a First Nations or Inuit youth employed on housing related projects.