

**Pic Mobert First Nation
Consolidated Financial Statements
*March 31, 2014***

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Pic Mober First Nation

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For the year ended March 31, 2014

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To the Chief and Council and Members of Pic Mober First Nation:

The accompanying consolidated financial statements of Pic Mober First Nation 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 consolidated 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 consolidated 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 the consolidated financial statements.

The Pic Mober First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated 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 First Nation's external auditors.

MNP LLP is appointed by the Chief and Council to audit the consolidated 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.

October 9, 2014



James Steart
Director of Operations

Independent Auditors' Report

To the Chief and Council and Members of Pic Mobert First Nation:

We have audited the accompanying consolidated financial statements of Pic Mobert First Nation, which comprise the statement of financial position as at March 31, 2014 and the statements of operations and surplus, changes in net financial assets (net debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

The financial statements of Gitchi Animki Energy Corporation, which are also consolidated in these financial statements, have not been audited for the years ended December 31, 2013 and December 31, 2012. As a consequence, we are unable to satisfy ourselves that all assets, liabilities, revenues and expenses of the consolidated entity had been recorded, nor were we able to satisfy ourselves that the recorded transactions were proper. Accordingly, we were unable to determine whether any adjustments might be necessary to the assets, liabilities and components making up the consolidated statements of operations, change in net debt and cash flows.

The prior year financial statements of White Lake Resources Corporation, which are also consolidated in these financial statements, were not audited at March 31, 2013. Our audit opinion on the consolidated financial statements for the year ended March 31, 2013 was qualified accordingly because of the possible effects of the limitation in scope.

As the First Nation does not have a formal process in place to approve the budget, MNP was unable to gain appropriate audit evidence over the budgeted figures presented in the consolidated audit.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly in all material respects the financial position of Pic Mobert First Nation as at March 31, 2014 and the results of its operations and surplus, changes in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

MNP LLP

Thunder Bay, Ontario

Chartered Professional Accountants

October 9, 2014

Licensed Public Accountants

Pic Mobert First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

	2014	2013
Financial assets		
Cash resources (Note 3)	988,348	794,050
Short-term investments (Note 4)	552,704	377,023
Accounts receivable (Note 5), (Note 20)	838,619	512,083
Due from government and other government organization (Note 6)	303,550	293,594
Loans receivable (Note 7)	50,000	-
Investment in Pic Mobert Hydro Power Joint Venture (Note 8)	31,409,566	1,322,553
Trust funds held by federal government (Note 9)	68,772	67,074
Investment in White River Forest Products Inc.	1	-
Total financial assets	34,211,560	3,366,377
Liabilities		
Bank indebtedness	12,753	-
Accounts payable and accruals (Note 10), (Note 20)	1,448,738	1,227,715
Deferred revenue (Note 11)	1,449,420	729,525
Due to government and other government organizations (Note 12)	179,252	135,378
Due to Regional Power Inc. (Note 13)	26,880,473	2,472,482
Short-term debt	110,755	-
Long-term debt (Note 14)	2,729,947	3,054,041
Due to White River Forest Products Inc.	588	-
Total liabilities	32,811,926	7,619,141
Net financial assets (net debt)	1,399,634	(4,252,764)
Contingent liabilities (Note 15)		
Non-financial assets		
Tangible capital assets (Schedule 1)	11,056,645	11,430,969
Prepaid expenses	42,301	54,445
Total non-financial assets	11,098,946	11,485,414
Accumulated surplus	12,498,580	7,232,650

Approved on behalf of the Council

Donald Mober
Wayne J. Felt
Pamela Banovich

Chief
Councillor
Councillor

Stan Schwerner
J.

Councillor
Councillor

Pic Mober First Nation
Consolidated Statement of Operations and Surplus
For the year ended March 31, 2014

	2014	2013
Revenue		
Aboriginal Affairs and Northern Development Canada (Note 16)	4,074,388	3,576,053
Dilico Ojibway Child and Family Services	200,710	177,428
Ontario First Nations Limited Partnership	632,117	630,489
Ministry of Health and Long Term Care	28,934	53,591
Health Canada	362,605	398,465
Ministry of Community, Family and Children's Services	863,334	781,162
Union of Ontario Indians	65,405	58,803
Anishinabek Employment and Training Services	63,620	103,573
Canada Mortgage and Housing Corporation	213,603	247,277
Ministry of Aboriginal Affairs	170,109	130,000
Ministry of Citizenship and Immigration	1,891	-
Ministry of Natural Resources	30,000	14,075
Ministry of Northern Development, Mines and Forestry	14,934	20,842
Ministry of Transportation	30,804	23,252
Inter-department cost recoveries	535,972	384,367
Interest income	2,816	-
Ontario Trillium Foundation	40,167	2,565
Rent revenue	364,971	356,444
Contract revenue - Barrick Gold	2,469,184	2,268,251
Administration fees	627,862	413,587
Miscellaneous revenue	362,181	394,395
Ontario Power Authority	-	290,522
Northern Ontario Heritage Fund	-	174,211
Industry Canada	186,613	141,766
Fundraising revenue	12,500	2,750
Service contract revenue	1,432,266	314,595
Total revenue	12,786,986	10,958,463
Expenses		
Administration and Chief and Council	1,142,422	988,074
Infrastructure Programs	1,390,791	800,895
Social, Cultural, Spiritual and Recreational Programs	456,655	482,780
Education Programs	1,899,828	1,868,750
Health Programs	1,755,195	1,737,763
Capital Programs	1,457,708	943,086
Economic Development Programs	3,610,575	3,224,193
Business Enterprise Projects	(3,487,656)	429,899
Casino Rama Fund	92	105
Total expenses (Schedule 2)	8,225,610	10,475,545
Surplus		
Accumulated operating surplus, beginning of year	4,561,376	482,918
Change in partner's capital (deficit) of GAELP	7,232,650	8,262,094
Prior year surplus recoveries	800,075	(1,422,056)
Accumulated operating surplus, end of year	(95,521)	(90,306)
Accumulated operating surplus, end of year	12,498,580	7,232,650

Pic Mober First Nation
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2014

	2014	2013
Annual surplus	4,561,376	482,918
Purchases of tangible capital assets	(124,693)	(395,543)
Amortization of tangible capital assets	499,017	499,000
Prior year surplus recoveries	(95,521)	(90,306)
Increase (decrease) in partner's capital (deficit) of GAELP	800,075	(1,422,056)
Use of prepaid expenses	12,144	6,955
 Increase (decrease) in net financial assets (net debt)	5,652,398	(919,032)
Net debt, beginning of year	(4,252,764)	(3,333,732)
 Net financial assets (net debt), end of year	1,399,634	(4,252,764)

Pic Mober First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating activities		
Surplus	4,561,376	482,918
Prior year surplus recoveries	(95,521)	(90,306)
Non-cash items		
Amortization	499,017	499,000
Increase (decrease) in partner's capital (deficit) of GAELP	800,075	(1,422,056)
	5,764,947	(530,444)
Changes in working capital accounts		
Accounts receivable	(326,586)	(197,031)
Due from government and other government organizations	(9,906)	13,148
Trust funds held by federal government	(1,698)	(1,608)
Prepaid expenses	12,144	6,955
Deferred revenue	719,895	(307,113)
Accounts payable and accrued liabilities	221,023	125,901
Due to government and other government organizations	43,874	88,900
Due to White River Forest Products Inc.	588	-
	6,424,281	(801,292)
Financing activities		
Repayment of long-term debt	(324,094)	(319,154)
Net advance of short-term debt	110,755	-
	(213,339)	(319,154)
Capital activities		
Purchases of tangible capital assets	(124,693)	(395,543)
Investing activities		
Proceeds from redemption of short-term investments	377,023	275,475
(Increase) decrease in investment in Pic Mober Hydro Power Joint Venture	(30,087,013)	144,994
(Increase) decrease in investment in White River Forest Products Inc.	(1)	-
Increase (decrease) in due to Regional Power Inc.	24,407,991	1,452,695
Purchase of short-term investments	(552,704)	(127,500)
Advances of loans receivable	(50,000)	-
	(5,904,704)	1,745,664
Increase in cash resources	181,545	229,675
Cash resources, beginning of year	794,050	564,375
Cash resources, end of year	975,595	794,050
Cash resources are composed of:		
Cash resources total	988,348	794,050
Bank indebtedness	(12,753)	-
	975,595	794,050
Supplementary cash flow information		
Interest paid	107,498	152,208

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

The Pic Mober First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Pic Mober First Nation includes the Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First 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:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Pic Mober First Nation
- White Lake Resources Corporation
- White Lake Limited Partnership
- Pic Mober Sawmill Corporation
- Gitchi Animki Energy Corporation
- Gitchi Animki Energy Limited Partnership

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

Pic Mober First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Pic Mober Hydro Power Joint Venture
- White River Forest Products Ltd.

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

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.

Cash resources

Cash resources includes 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.

Loans receivable

Loans are recorded at principal amounts, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis.

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

Funds held by federal government

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in revenue on the consolidated statement of operations and surplus (deficit). 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.

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 declining balance and straight-line methods at rates intended to amortize the cost of the assets over their estimated useful lives as follows:

	Method	Rate
Office equipment	declining balance	20 %
General equipment	declining balance	20 %
Police office trailer	declining balance	30 %
Computer hardware	declining balance	30 %
Computer software	declining balance	100 %
Automotive	declining balance	30 %
Assets under capital lease	declining balance	20 %
Housing - Section 10	straight-line	35 years
Infrastructure	straight-line	35 years
Gymnasium/Auditorium	straight-line	35 years
CMHC Housing - Section 95	straight-line	35 years
Administration office	straight-line	35 years
Housing renovations	straight-line	35 years
Skating rink	straight-line	35 years
Health clinic	straight-line	35 years
CMHC Housing - Section 95 (2008/2010)	straight-line	35 years
School building	straight-line	35 years
Dilico building	straight-line	35 years
Elder's residences	straight-line	35 years
Water treatment facility	straight-line	35 years
OW building	straight-line	35 years
Pow-wow arbour	straight-line	35 years

Long-term debt and capital lease obligations

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

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

Capital lease repayments are recognized as a decrease the capital lease obligations.

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

2. Significant accounting policies (Continued from previous page)

Long-lived assets

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

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value.

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.

Net financial assets (net debt)

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

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

The First Nation recognizes other revenue when service is provided and collectability is reasonably assured. Rental revenue is recognized over the rental term.

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.

Funds held in Ottawa Trust Fund

Revenues from trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

Use of estimates

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. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Investment in Pic Mobert Hydro Power Joint Venture and White River Forest Products Inc. is recorded according to the First Nation's proportionate share of the venture's (GAELP's) modified equity investment, which management estimates to be recoverable from undiscounted cash flows from operations. The actual fair value of the investment could differ significantly from the carrying value.

Amortization is based on the estimated useful lives of tangible capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

Segments

The First Nation conducts its business through nine reportable segments: Administration and Chief and Council, Infrastructure programs, Social, Cultural, Spiritual and Recreational programs, Education programs, Health programs, Capital programs, Economic Development programs, Business Enterprise Projects, and Casino Rama Fund. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in the *Significant Accounting Policies*.

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Cash resources

	2014	2013
HST account	20,870	20,968
Petty cash	500	500
Road Upgrading account	-	29,764
General account	(385,971)	(98,615)
Water Treatment account	216,821	93,006
Welfare account	2,819	114,145
Equity Trust account	641,356	99,910
Casino Rama account	312,504	288,201
CMHC Replacement Reserve account	152,857	115,747
White Lake Resources Corporation	-	130,424
Gitchi Animki Energy Corporation	26,590	-
White Lake Limited Partnership	2	-
	988,348	794,050

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation.

The general account has an overdraft available of up to \$300,000 with interest at bank prime plus 2% (5% - March 31, 2014) (2013 - 5%). (\$181,587 outstanding at March 31, 2014 and \$Nil at March 31, 2013).

The welfare bank account has overdraft available up to \$10,000 with interest at bank prime plus 2% (5% - March 31, 2014) (2013 - 5%). (\$Nil outstanding at March 31, 2014 and March 31, 2013).

4. Short-term investments

	2014	2013
Bank of Montreal 1 year GIC, redeemed in 2013	-	151,294
Bank of Montreal 1 year GIC, redeemed in 2014	-	98,229
Bank of Montreal 1 year GIC, redeemed in 2014	-	97,500
Bank of Montreal 1 year GIC, redeemed in 2014	-	30,000
Bank of Montreal 1 year GIC, bearing interest at 1.1% maturing June 2014	149,355	-
Bank of Montreal 1 year GIC, bearing interest at 0.8% maturing January 2015	51,978	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing January 2015	147,600	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing February 2015	98,472	-
Bank of Montreal 1 year GIC, bearing interest at 1.0% maturing February 2015	30,299	-
White Lake Resources Corporation - 1 year GIC, bearing interest at 1.15% (prime less 1.85%), maturing February 2015	75,000	-
	552,704	377,023

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

5. Accounts receivable

	2014	2013
Members rent	187,026	146,794
Members advances	8,343	5,414
Barrick Gold	261,301	14,746
Ontario Power Authority	-	290,027
Dilico Ojibway Child and Family Services	53,808	30,172
Anishinabek Employment and Training Services	5,726	25,336
Union of Ontario Indians	-	1,892
Northern Ontario Heritage Fund	-	3,310
Regional Power	-	47,912
Other miscellaneous receivables	492,874	109,264
Less: Allowance for doubtful accounts	(170,459)	(162,784)
	838,619	512,083

6. Due from government and other government organizations

	2014	2013
Federal government		
Aboriginal Affairs and Northern Development Canada	87,006	167,243
Health Canada	38,366	37,592
Canada Mortgage and Housing Corporation	-	10,805
Canadian Environmental Assessment	-	425
HST recoverable	70,577	38,670
Industry Canada	25,500	-
White Lake Resources Corporation - Consolidation	23,180	-
Provincial government		
Ministry of Community and Social Services	9,768	13,413
Ministry of Health and Long-Term Care	5,554	8,156
Ministry of Natural Resources	35,130	16,950
Ministry of Northern Development and Mines	-	340
Ministry of Aboriginal Affairs	5,009	-
Ministry of Training, Colleges and Universities	3,460	-
	303,550	293,594

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

7. Loans receivable

	<i>Principal</i>	<i>Allowance</i>	<i>2014 Net recoverable value</i>	<i>2013 Net recoverable value</i>
Loan receivable from Bernard Miller Sr., Russell Miller and 1890640 Ontario Inc. with payments of \$4,303 per month including interest at 6% per annum beginning September 2014 and maturing August 2016.	50,000	-	50,000	-
	50,000	-	50,000	-

During the year, \$75,000 was also loaned to White Lake Resources Corporation, a company under common control. The loan is unsecured, non-interest bearing and has no set terms of repayment. The loan proceeds are to be used as collateral against borrowings by White Lake Resources Corporation and must be retained in Guaranteed Investment Certificates. This loan has been eliminated upon consolidating the results of White Lake Resources Corporation and thus does not appear on the Consolidated Statement of Financial Position.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Investments in First Nation partnerships and business entities

On May 2, 2005, the First Nation entered into a joint venture agreement with Regional Power Inc. to establish the Pic Mobert Hydro Power Joint Venture (PMHPJV), an unincorporated joint venture, to provide for the development, permitting, construction and operation of two hydro-electric generating stations. The initial respective interests in the PMHPJV are Regional Power Inc. (65%) and Pic Mobert First Nation (35%). On October 23, 2009, Regional Power Inc. assigned its 65% interest in the PMHPJV to White River Hydro Limited Partnership. On December 7, 2011, the First Nation assigned its 35% interest in the PMHPJV to Gitchi Animki Energy Limited Partnership (GAELP), a limited partnership controlled by the First Nation formed under the laws of Ontario, acting by its general partner Gitchi Animki Energy Corp.

On April 24, 2012, White River Hydro Limited Partnership sold 15% of its interest in the PMHPJV to GAELP. The value of the sale is contingent upon a to-be-determined future value associated with the project if the project is determined to be economically viable. With the sale, White River Hydro Limited Partnership's interest in the project decreased from 65% to 50% and GAELP's interest in the project increased from 35% to 50%.

A summary of audited financial information for Gitchi Animki Energy Limited Partnership for the years ended December 31, 2013 and March 31, 2013 is shown below. Summary cash flow information has not been included as cash flow activities are readily apparent from the other financial information.

	As at December 31, 2013	As at March 31, 2013
Financial assets		
Investment in Pic Mobert Power Joint Venture	31,409,566	1,322,553
Total financial assets	31,409,566	1,322,553
Liabilities		
Due to Regional Power Inc.	26,880,473	2,472,482
Total liabilities	26,880,473	2,472,482
Net financial assets (net debt)	4,529,093	(1,149,929)
Accumulated surplus (deficit)	4,529,093	(1,149,929)
Revenue		
Interest income	2,816	-
Total revenue	2,816	-
Expenses		
Interest on joint venture loan	910,559	174,519
Miscellaneous	43,004	-
Office expenses	5,319	-
Professional fees	11,568	-
Writedown recovery	(5,769,759)	-
Total expenses (recovery)	(4,799,309)	174,519
Surplus (deficit)	4,802,125	(174,519)

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Investments in First Nation partnerships and business entities *(Continued from previous page)*

Investment information, as at March 31, 2014, was not available at the time of the audit engagement. The March 31, 2013 amounts were available at time of the March 31, 2013 audit engagement and thus consolidation for fiscal 2013 included activity up to March 31, 2013.

The writedown recovery represents Gitchi Animki Energy Limited Partnership's share of the December 31, 2013 amount recorded in Pic Mobert Hydro Power Joint Venture. The Manufacturers Life Insurance Company ("Manulife") performed an impairment test at December 31, 2013 which resulted in previously written off project developments costs to be reversed up to the revised impairment amount of \$2,494,791.

The First Nation also significantly influences White Lake Resources Corporation, White Lake Limited Partnership, Pic Mobert Sawmill Corporation and Gitchi Animki Energy Corporation. A summary of audited financial information for White Lake Resources Corporation for the year ended March 31, 2014 and unaudited financial information for the year ended March 31, 2013 is shown below. Summary cash flow information has not been included as cash flow activities are readily apparent from the other financial information. Inter-company balances and transactions which were eliminated during consolidation have been included.

	As at March 31, 2014	As at March 31, 2013 (unaudited)
Financial assets		
Cash	-	130,424
Short-term investments	75,000	-
Accounts receivable	388,387	1,681
Government remittances receivable	23,180	-
Total financial assets	486,567	132,105
Liabilities		
Bank indebtedness	12,753	-
Accounts payable and accruals	217,413	123,907
Government remittances payable	131,621	-
Short-term debt	110,755	-
Due to shareholder	75,000	-
Total liabilities	547,542	123,907
Net financial assets (net debt)	(60,975)	8,198
Non-financial assets		
Prepaid expenses	2,969	2,845
Tangible capital assets	41,257	-
Total non-financial assets	44,226	2,845
Accumulated surplus (deficit)	(16,749)	11,043

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Investments in First Nation partnerships and business entities *(Continued from previous page)*

	Year ending March 31, 2014	Year ending March 31, 2013 - (unaudited)
Revenue		
Service contract revenue	1,332,266	314,597
Total revenue	1,332,266	314,597
Expenses		
Amortization	7,281	-
Bad debts	1,570	-
Bank charges and interest	16,392	3,967
Business fees and licenses	5,026	-
Contract work	341,305	155,866
Donations	30,000	-
Equipment rental	206,390	-
Honoraria	23,265	23,995
Insurance	11,815	3,316
Materials and supplies	19,664	6,881
Office expenses	849	1,902
Professional fees	25,625	420
Rental	2,550	-
Repairs and maintenance	4,901	-
Salaries and benefits	509,446	50,785
Telephone	2,390	-
Travel	20,327	8,248
Vehicle fuel	59,592	-
Total expenses	1,288,388	255,380
Surplus	43,878	59,217

A portion of the accounts receivable balance of \$62,716 (2013 - \$Nil), a portion of the accounts payable and accrued liabilities balance of \$8,666 (2013 - \$601) and a portion of short-term debt of \$75,000 (2013 - \$Nil) was eliminated in the Consolidated Statement of Financial Position.

Contract revenue of \$8,666 (2013 - \$Nil), contract work expense of \$5,588 (2013 - \$Nil), donations of \$30,000 (2013 - \$Nil), rent expense of \$2,400 (2013 - \$Nil), repairs and maintenance of \$2,153 (2013 - \$Nil) and supplies expense of \$11,649 (2013 - \$Nil) was eliminated in the Consolidated Statement of Operations.

A summary of audited financial information for White Lake Limited Partnership for the years ended March 31, 2014 and 2013 is shown below. Summary cash flow information has not been included as cash flow activities are readily apparent from the other financial information. Inter-company balances and transactions which were eliminated during consolidation have been included.

	As at March 31, 2014	As at March 31, 2013
Financial assets		
Cash	2	2
Investment in Pic Mobert Sawmill Corporation	100	100
Total financial assets	102	102
Liabilities		
Due to Pic Mobert Sawmill Corporation	100	100
Total liabilities	100	100
Net financial assets	2	2
Accumulated surplus	2	2

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Investments in First Nation partnerships and business entities *(Continued from previous page)*

The investment in Pic Mober Sawmill Corporation of \$100 (2013 - \$100) and the due to Pic Mober Sawmill Corporation balance of \$100 (2013 - \$100) was eliminated in the Consolidated Statement of Financial Position.

A summary of audited financial information for Pic Mober Sawmill Corporation for the years ended March 31, 2014 and 2013 is shown below. Summary cash flow information has not been included as cash flow activities are readily apparent from the other financial information. Inter-company balances and transactions which were eliminated during consolidation have been included.

	As at March 31, 2014	As at March 31, 2013
Financial assets		
Due from White Lake Limited Partnership	100	100
Investment in White River Forest Products Inc.	588	588
Total financial assets	688	688
Liabilities		
Due to White River Forest Products Inc.	588	588
Total liabilities	588	588
Net financial liabilities	100	100
Accumulate surplus	100	100

The due to White Lake Limited Partnership balance of \$100 (2013 - \$100) was eliminated in the Consolidated Statement of Financial Position.

The investment in White River Forest Products was reduced to a nominal amount (\$1) in order to recognize Pic Mober Sawmill Corporation's share of losses from the investment using the modified equity method. The investment will continue to be shown at a nominal amount until such time where it is imminent that White River Forest Products Inc.'s operations return to profitability.

A summary of unaudited financial information for Gitchi Animki Energy Corporation for the years ended December 31, 2013 and March 31, 2013 is shown below. Summary cash flow information has not been included as cash flow activities are readily apparent from the other financial information. Inter-company balances and transactions which were eliminated during consolidation have been included.

	As at December 31, 2013 (unaudited)	As at March 31, 2013 (unaudited)
Financial assets		
Cash	26,590	-
Investment in Gitchi Animki Energy Limited Partnership	32	1
Total financial assets	26,622	1
Liabilities		
Accounts payable and accruals	851	-
Total liabilities	851	-
Net financial assets	25,771	1
Accumulated surplus	25,771	1

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Investments in First Nation partnerships and business entities *(Continued from previous page)*

	Year ending December 31, 2013 (unaudited)	Year ending March 31, 2013 (unaudited)
Revenue		
Miscellaneous income	9,460	-
Service contract revenue	100,000	-
Share of partnership income	31	-
Total revenue	109,491	-
Expenses		
Bank charges and interest	14	-
Honoraria	31,825	-
Insurance	10,250	-
Management fees	2,528	-
Meetings	2,295	-
Miscellaneous	2,799	-
Professional fees	14,355	-
Travel	19,655	-
Total expenses	83,721	-
Surplus	25,770	-

Investment information, as at March 31, 2014, was not available at the time of the audit engagement. The March 31, 2013 amounts were available at time of the March 31, 2013 audit engagement and thus consolidation for fiscal 2013 included activity up to March 31, 2013.

The capital balance of \$32 (2013 - \$1) held in Gitchi Animki Energy Limited Partnership has been eliminated in the Consolidated Statement of Financial Position.

9. Trust funds held by federal government

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

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

	2014	2013
Capital Trust		
Balance, beginning of year	4,619	4,619
Balance, end of year	4,619	4,619
Revenue Trust		
Balance, beginning of year	62,455	60,847
Interest	1,698	1,608
Balance, end of year	64,153	62,455
	68,772	67,074

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

10. Accounts payable and accruals

	2014	2013
Trade payables	1,224,103	1,081,300
Accrued salaries and benefits payable	192,557	114,339
Other accrued liabilities	32,078	32,076
	1,448,738	1,227,715

11. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Revenue received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
AANDC - Water Treatment Facility	129,292	495,300	432,772	191,820
Barrick Gold - Administration	455,567	84,952	90,270	450,249
Ontario Trillium Foundation - Youth Drumming	40,167	-	40,167	-
PGM Stillwater Palladium Mine - Environmental Assessments	104,499	-	46,920	57,579
Ontario Trillium Foundation - Trillium Cultural Centre	-	147,600	-	147,600
Ontario Power Authority - Hydro Project	-	591,533	-	591,533
Industry Canada - Strategic Plan	-	10,639	-	10,639
	729,525	1,330,024	610,129	1,449,420

12. Due to government and other government organizations

	2014	2013
Federal government		
Aboriginal Affairs and Northern Development Canada	-	90,306
Receiver General	47,631	45,072
White Lake Resources Corporation - Receiver General	131,621	-
	179,252	135,378

13. Due to Regional Power Inc.

The balance due to Regional Power Inc. represents development costs incurred on behalf of GAELP by White River Hydro Limited Partnership (WRHLP), the other joint venture partner. Under the joint venture agreement, Regional Power Inc. has a commitment to loan GAELP amounts equal to its share of qualifying projects costs. Interest on the loan is accrued monthly and bears interest at varying interest rates up to 12% per annum. The balances owing at March 31, 2014 includes \$Nil (2013 - \$Nil) in cumulative accrued interest.

The loan is collateralized by GAELP's interest in the PMHPJV. GAELP is under no obligation to repay the loan and interest. However, GAELP will forfeit its interest in the joint venture, and any potential future profits thereof, if the loan is not repaid. Per the loan agreement, loan repayments are to be financed through the use of future project revenues. The project is not expected to commence until 2015.

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

14. Long-term debt

	2014	2013
Mortgage #0041501821 payable to Bank of Montreal with payments of \$11,497 per month including interest at 2.7% per annum maturing April 2018, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 26 housing units.	534,134	657,150
Mortgage #19151315001 payable to CMHC with payments of \$2,239 per month including interest at 2.69% per annum maturing May 2025, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 6 housing units.	259,716	279,412
Mortgage #16839920 payable to CMHC with payments of \$5,600 per month including interest at 1.39% per annum maturing February 2015, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 10 housing units.	61,243	127,170
Mortgage #19151315002 payable to CMHC with payments of \$5,016 per month including interest at 1.62% per annum maturing January 2028, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 8 housing units.	746,826	794,623
Mortgage #19151315003 payable to CMHC with payments of \$5,032 per month including interest at 2.35% per annum maturing August 2023, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 10 housing units.	510,915	558,091
Mortgage #19151315004 payable to CMHC with payments of \$5,078 per month including interest at 2.78% per annum maturing August 2025, secured by a ministerial guarantee from Aboriginal Affairs and Northern Development Canada and a first mortgage on 9 housing units.	593,593	637,595
Ford credit loan payable with payments of \$691 per month including interest at 7.29% per annum maturing January 2017, with automotive equipment with a net book value of \$18,962 pledged as collateral.	23,520	-
	2,729,947	3,054,041

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:

	Principal	Interest	Total
2015	356,195	60,046	416,241
2016	302,638	52,008	354,646
2017	309,158	44,104	353,262
2018	309,995	36,349	346,344
2019	191,144	30,022	221,166
	<hr/>	<hr/>	<hr/>
	1,469,130	222,529	1,691,659
	<hr/>	<hr/>	<hr/>
Thereafter	1,260,817	91,352	1,352,169

Interest on long-term debt amounted to \$68,477 (2013 - \$121,509)

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

15. Contingent liabilities

The First Nation has been named as a defendant in a labour claim on behalf of a former employee, seeking to recover damages allegedly sustained as a result of wrongful termination. This claim remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of this claim or to estimate the loss, if any, which may result. Any amount awarded as a result of this action will be recorded when reasonably estimable. The First Nation's legal counsel defending the First Nation in this labour claim does not foresee the claim to exceed \$40,000.

A human rights complaint has also been filed against the First Nation by a former employee. The amount of any potential liability to the First Nation cannot be estimated at this time.

The First Nation has entered into contribution agreements with various federal government departments and other entities. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's financial statements. As of March 31, 2014, no contingent liabilities have been recorded in the financial statements.

16. AANDC funding reconciliation

	2014	2013
AANDC revenue per financial statements	4,074,388	3,576,053
Change in deferred revenue	62,528	(72,158)
Funding clawed back	(2,600)	(10,334)
Bottled water revenue not on confirmation	-	(6,567)
AANDC revenue per confirmation	4,134,316	3,486,994

17. Segments

The First Nation has nine reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Administration and Chief and Council - includes administration and governance activities.

Infrastructure Programs - includes band programs and maintenance.

Social, Cultural, Spiritual and Recreational Programs - includes activities delivering social programs.

Education Programs - includes the operations of education programs.

Health Programs - includes the operations of health programs.

Capital Programs - includes the operations of capital programs.

Economic Development Programs - includes the operations of economic projects.

Business Enterprise Projects - includes the operations of significantly influenced business enterprises for consolidation.

Casino Rama Fund - reports on the First Nation's Ontario First Nations Limited Partnership funding.

Inter-segment transfers are recorded at their exchange amount. The accounting policies are the same as those described in Note 2.

Pic Mobert First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

18. Government transfers

Pic Mobert First Nation receives a significant portion of its revenues pursuant to a funding agreement with Aboriginal Affairs and Northern Development Canada (AANDC). Under the terms of the agreement, funding from the Agreement can be suspended if the First Nation does not comply with the terms of the agreement.

	<i>Operating</i>	<i>Capital</i>	<i>2014</i>	<i>2013</i>
Federal government transfers				
Aboriginal Affairs and Northern Development Canada	3,931,022	143,366	4,074,388	3,576,053
Health Canada	362,605	-	362,605	398,465
Canada Mortgage and Housing Corporation	213,603	-	213,603	247,277
	4,507,230	143,366	4,650,596	4,221,795
Provincial government transfers				
Other provincial government	1,159,595	-	-	1,022,922
	5,666,825	143,366	4,650,596	5,244,717

19. Defined contribution plans

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering substantially all full-time employees. Members are required to contribute 5.5% of their basic salary. The First Nation contributes 5.5% which are directed to the member's contribution account. The amount of retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributions and corresponding expense totaled \$121,360 in 2014 (2013 - \$109,303). AANDC provides funding to the First Nation for its share of pension contributions for full-time employees.

Pic Mober First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

20. Related party transactions

Chief and Council of the Pic Mober First Nation control the First Nation's operations and therefore are related to the First Nation. Two additional council members were in place during the current year due to a vacancy in the prior year and the addition of a council position due to an increase in band membership.

Nokiiwin Tribal Council is an organization significantly influenced by Pic Mober First Nation as the First Nation is on the Board of Directors and therefore is related to the First Nation. At March 31, 2014, \$18,975 (2013 - \$17,512) was receivable from Nokiiwin Tribal Council and included in accounts receivable and \$1,675 (2013 - \$Nil) was payable to Nokiiwin Tribal Council and included in accounts payable.

Possibilities Group is a company controlled by the Executive Director, and therefore is related to the First Nation. At March 31, 2014, \$13,763 (2013 - \$8,817) was payable to Possibilities Group and included in accounts payable and accrued liabilities.

White Lake Resources Corporation is a company controlled by Pic Mober First Nation, and therefore is related to the First Nation. At March 31, 2014, \$62,716 was receivable from White Lake Resources Corporation (2013 - \$Nil).

White River Forest Products Inc. is a company significantly influenced by Pic Mober First Nation as the First Nation is on the Board of Directors and therefore is related to the First Nation. At March 31, 2014, \$2,845 (2013 - \$Nil) was receivable from White River Forest Products Inc.

Transactions occurring during the year between related parties were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration agreed to by the parties. Related party transactions included in the Consolidated Statement of Operations consist of the following:

- a) Salaries, Honoraria and Travel paid to the Chief and Council amounted to \$405,251 (2013: \$305,463).
- b) Travel reimbursements totaling \$1,312 (2013: \$558) and miscellaneous income of \$100,321 (2013 - \$Nil) was received from Nokiiwin Tribal Council. Bad debts from Nokiiwin Tribal Council totalling \$97 (2013 - \$Nil) were expensed and consulting fees totaling \$Nil (2013: \$2,500) were paid to Nokiiwin Tribal Council.
- c) Professional fees totaling \$157,500 (2013: \$109,955) were paid to Possibilities Group, all of which was in respect of project management, executive director and economic development projects. A portion of the management and economic development costs were recovered from a third party.
- d) Travel expenses totaling \$21,608 (2013: \$1,197), program expenses totalling \$210 (2013 - \$Nil), office expenses totalling \$2,259 (2013 - \$Nil), and bank charges and interest totalling \$500 (2013 - \$Nil) were paid to Possibilities Group. Donation revenue of \$500 (2013 - \$Nil) was received from Possibilities Group.
- e) Student transportation expenses totaling \$173,080 (2013: \$153,018) were paid to a councillor.

21. Budget information

Canadian public sector accounting (PSA) standards require the disclosure of budget information for comparison to the First Nation's actual revenue and expenses. The consolidated budgeted revenue and expenses, and surplus have not been reported in these financial statements. While having no effect on reported revenue, expenses, and surplus, omission of this information is considered a departure from PSA standards.

22. Economic dependence

Pic Mober First Nation receives 35% (2013 - 34%) of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC). The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments.

23. Comparative figures

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

Pic Mober First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Housing - Section 10</i>	<i>CMHC Housing - Section 95</i>	<i>CMHC Housing - Section 95 (2008/2010)</i>	<i>Infrastructure</i>	<i>Water Treatment Facility</i>	<i>Housing renovations</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	2,596,972	853,499	2,739,628	2,676,489	28,050	748,684	9,643,322
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	2,596,972	853,499	2,739,628	2,676,489	28,050	748,684	9,643,322
Accumulated amortization							
Balance, beginning of year	1,149,976	609,656	445,962	657,060	801	98,565	2,962,020
Annual amortization	74,199	24,386	78,275	76,471	801	21,391	275,523
Balance, end of year	1,224,175	634,042	524,237	733,531	1,602	119,956	3,237,543
Net book value of tangible capital assets	1,372,797	219,457	2,215,391	1,942,958	26,448	628,728	6,405,779
2013 Net book value of tangible capital assets	1,446,996	243,842	2,293,666	2,019,430	27,249	650,119	6,681,302

MNP

Pic Mober First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Subtotal</i>	<i>OW Building</i>	<i>Dilico Building</i>	<i>School Building</i>	<i>Gymnasium / Auditorium</i>	<i>Police office trailer</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	9,643,322	296,911	201,300	1,773,911	156,174	5,670	12,077,288
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	9,643,322	296,911	201,300	1,773,911	156,174	5,670	12,077,288
Accumulated amortization							
Balance, beginning of year	2,962,020	8,483	89,147	611,587	64,700	5,663	3,741,600
Annual amortization	275,523	8,483	5,751	50,683	4,462	2	344,904
Balance, end of year	3,237,543	16,966	94,898	662,270	69,162	5,665	4,086,504
Net book value of tangible capital assets	6,405,779	279,945	106,402	1,111,641	87,012	5	7,990,784
2013 Net book value of tangible capital assets	6,681,302	288,428	112,154	1,162,324	91,474	7	8,335,689

Pic Mober First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Subtotal</i>	<i>Office equipment</i>	<i>Computer hardware</i>	<i>Computer software</i>	<i>General equipment</i>	<i>Administration office</i>	<i>Subtotal</i>
<hr/>							
Cost							
Balance, beginning of year	12,077,288	59,315	109,893	28,355	34,676	715,423	13,024,950
Acquisition of tangible capital assets	-	-	-	-	12,654	-	12,654
Balance, end of year	12,077,288	59,315	109,893	28,355	47,330	715,423	13,037,604
<hr/>							
Accumulated amortization							
Balance, beginning of year	3,741,600	49,837	101,823	20,820	26,312	265,732	4,206,124
Annual amortization	344,904	1,896	2,421	7,535	2,938	20,441	380,135
Balance, end of year	4,086,504	51,733	104,244	28,355	29,250	286,173	4,586,259
Net book value of tangible capital assets	7,990,784	7,582	5,649	-	18,080	429,250	8,451,345
2013 Net book value of tangible capital assets	8,335,689	9,478	8,070	7,535	8,364	449,691	8,818,827

MNR

Pic Mober First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Subtotal</i>	<i>Elder's residences</i>	<i>Automotive</i>	<i>Skating rink</i>	<i>Assets under capital lease</i>	<i>Health Clinic</i>	<i>Subtotal</i>
<hr/>							
Cost							
Balance, beginning of year	13,024,950	803,665	243,856	229,596	21,706	2,009,202	16,332,975
Acquisition of tangible capital assets	12,654	-	37,787	-	-	-	50,441
Balance, end of year	13,037,604	803,665	281,643	229,596	21,706	2,009,202	16,383,416
<hr/>							
Accumulated amortization							
Balance, beginning of year	4,206,124	298,505	186,562	52,300	16,298	172,218	4,932,007
Annual amortization	380,135	22,962	22,856	6,560	1,082	57,406	491,001
Balance, end of year	4,586,259	321,467	209,418	58,860	17,380	229,624	5,423,008
<hr/>							
Net book value of tangible capital assets	8,451,345	482,198	72,225	170,736	4,326	1,779,578	10,960,408
2013 Net book value of tangible capital assets	8,818,827	505,160	57,293	177,296	5,408	1,836,984	11,400,968

MNP

Pic Mober First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

	<i>Subtotal</i>	<i>Pow-Wow Arbour</i>	<i>Mining claims</i>	<i>Other fully amortized assets</i>	<i>White Lake Resources Corporation</i>	<i>2014</i>	<i>2013</i>
<i>(Restated)</i>							
Cost							
Balance, beginning of year	16,332,975	-	30,000	1	-	16,362,976	15,967,433
Acquisition of tangible capital assets	50,441	25,714	-	-	48,538	124,693	395,543
Balance, end of year	16,383,416	25,714	30,000	1	48,538	16,487,669	16,362,976
Accumulated amortization							
Balance, beginning of year	4,932,007	-	-	-	-	4,932,007	4,433,007
Annual amortization	491,001	735	-	-	7,281	499,017	499,000
Balance, end of year	5,423,008	735	-	-	7,281	5,431,024	4,932,007
Net book value of tangible capital assets	10,960,408	24,979	30,000	1	41,257	11,056,645	11,430,969
2013 Net book value of tangible capital assets	11,400,968	-	30,000	1	-	11,430,969	

JWW

Pic Mober First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2014

	2014	2013
Consolidated expenses by object		
Administration	629,820	392,487
Advertising	4,173	2,051
Amortization	499,017	499,000
Bad debts	159,785	67,469
Bank charges and interest	55,427	30,698
Breakfast program	8,000	8,300
Business fees and licenses	5,026	155,866
Christmas expenses	7,202	6,728
Community donations	1,600	-
Community participation	15,000	15,000
Contract work	335,717	-
Equipment rental	206,390	-
Food bank	14,400	14,400
Funeral expense	3,020	35,185
Garbage disposal fees	63,650	39,325
General welfare assistance	634,702	657,154
Honoraria	212,634	211,950
Hygiene	-	3,871
Insurance	187,893	161,224
Interest on joint venture loan	910,559	174,519
Interest on long-term debt	68,477	121,509
Management fees	2,528	-
Materials and supplies	491,737	235,484
Medical travel	91,263	77,278
Meeting expenses	2,295	-
Miscellaneous	43,005	-
Office expenses	122,512	100,741
Post-secondary allowances	300,496	296,130
Professional fees	1,366,860	1,298,810
Program expenses	1,206,602	682,474
Repairs and maintenance	481,249	319,556
Salaries and benefits	4,527,191	3,631,078
Stay in school	14,377	3,878
Student transportation	184,389	163,169
Telephone	13,795	11,342
Training	60,479	61,779
Travel	260,582	241,478
Tuition - special education	18,963	46,824
Tuition fees	524,655	510,870
Utilities	156,792	141,835
Vehicle fuel	100,384	46,669
Writedown recovery	(5,769,759)	-
Youth culture and recreation	2,723	9,414
	8,225,610	10,475,545

Pic Mober First Nation
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2014

	AANDC Revenue	Other Revenue (Recovery)	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Operating Surplus (Deficit)
Administration and Chief and Council	416,452	750,230	1,166,682	1,142,422	71,675	95,935
Infrastructure Programs	1,106,275	104,922	1,211,197	1,390,791	-	(179,594)
Social, Cultural, Spiritual and Recreational Programs	65,000	162,265	227,265	456,655	223,815	(5,575)
Education Programs	1,895,791	32,906	1,928,697	1,899,828	-	28,869
Health Programs	198,000	1,442,133	1,640,133	1,755,195	-	(115,062)
Capital Programs	196,870	978,836	1,175,706	1,457,708	124,768	(157,234)
Economic Development Programs	196,000	3,163,393	3,359,393	3,610,575	125,000	(126,182)
Business Enterprise Projects	-	1,443,986	1,443,986	(3,487,656)	-	4,931,642
Casino Rama Fund	-	633,927	633,927	92	(545,258)	88,577
Total	4,074,388	8,712,598	12,786,986	8,225,610	-	4,561,376

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