

KASABONIKA LAKE FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

KASABONIKA LAKE FIRST NATION
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FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

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KASABONIKA LAKE FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014 AND 2013

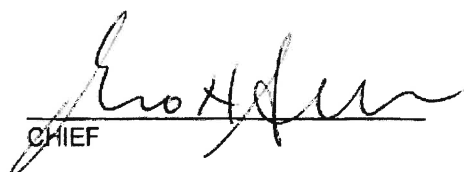
MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

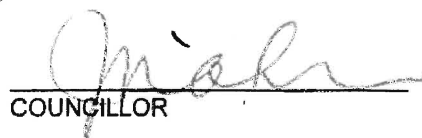
The consolidated financial statements of Kasabonika Lake First Nation are the responsibility of management and have been approved by Chief and Council.

Management is responsible for the integrity and objectivity of the consolidated financial statements. Estimates are necessary in the preparation of these consolidated financial statements and, based on careful judgments, have been properly reflected. Management has established systems of internal control, which are designed to provide reasonable assurance that all assets are safeguarded from loss or unauthorized use and to produce reliable accounting records for the preparation of financial information.

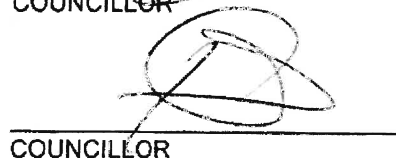
The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by Holukoff Chiarella in accordance with Canadian generally accepted auditing standards on behalf of the Members. Holukoff Chiarella have full and free access to Council.


CHIEF


COUNCILLOR


COUNCILLOR


COUNCILLOR

Holukoff Chiarella

CHARTERED ACCOUNTANTS

EXHIBIT "A"

Kevin Masse, B.Comm. (Hons), C.A.
(Practising as Kevin Masse Chartered Accountant Ltd.)
Ralph Orr, B.Comm. (Hons), C.A.
(Practising as Ralph Orr Chartered Accountant Ltd.)
Wayne H. Chiarella, B.A., C.A. (Retired 2011)
Sam Holukoff, C.A. (Retired 2005)

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INDEPENDENT AUDITORS' REPORT

To the Chief, Councillors and Members of
Kasabonika Lake First Nation

We have audited the accompanying financial statements of Kasabonika Lake First Nation, which comprise the consolidated statements of financial position as at March 31, 2014 and 2013 and the consolidated statements of accumulated surplus, consolidated statements of operations, consolidated statements of change in net debt and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

Inventory consists of fuel purchased for the community of Kasabonika Lake First Nation plus materials for projects and operations. We did not observe the inventory counts at the beginning or end of the year and alternative means did not provide us with the necessary assurance concerning the cost of inventory. As a result, we were unable to determine what adjustments, if any, might be necessary to assets, annual surplus (deficit) and accumulated surplus.

Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs, the consolidated financial statements present fairly, in all material respects, the financial position of Kasabonika Lake First Nation as at March 31, 2014 and 2013, and its financial performance and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

WINNIPEG, MANITOBA
August 13, 2014

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

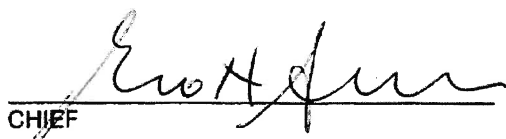
KASABONIKA LAKE FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014 AND 2013


EXHIBIT "B"

| | <u>2014</u> | <u>2013</u> |
|--|----------------------|--------------------|
| FINANCIAL ASSETS | | |
| Cash, Note 3 | \$ 4,237,830 | 1,117,245 |
| Accounts receivable, Note 4 | 1,322,118 | 1,117,994 |
| Investments, Note 5 | 158,277 | 100,000 |
| Equity in commercial enterprises, Note 5 | 28,057 | (7,315) |
| Funds on deposit with Aboriginal Affairs and Northern Development Canada, Note 6 | <u>12,731</u> | <u>12,422</u> |
| Total financial assets | <u>5,759,013</u> | <u>2,340,346</u> |
| LIABILITIES | | |
| Bank indebtedness, Note 7 | 110,000 | 60,000 |
| Accounts payable, Note 8 | 2,505,599 | 2,101,575 |
| Deferred revenue, Note 9 | 3,490,226 | 409,072 |
| Long term debt, Note 10 | 5,415,274 | 4,928,377 |
| Reserves, Note 11 | <u>124,860</u> | <u>140,605</u> |
| Total liabilities | <u>11,645,959</u> | <u>7,639,629</u> |
| NET DEBT, Exhibit "E" | <u>(5,886,946)</u> | <u>(5,299,283)</u> |
| NON-FINANCIAL ASSETS | | |
| Inventory and prepaid expenses, Note 12 | 508,927 | 661,410 |
| Tangible capital assets, Note 13 | 16,275,773 | 14,697,767 |
| Tangible capital assets under construction, Note 13 | <u>2,517,917</u> | <u>1,440,835</u> |
| | <u>19,302,617</u> | <u>16,800,012</u> |
| ACCUMULATED SURPLUS, Exhibit "C" | \$ <u>13,415,671</u> | <u>11,500,729</u> |

CONTINGENCIES AND COMMITMENTS, Notes 19 and 20

APPROVED BY:


 CHIEF


 COUNCILLOR


 COUNCILLOR



 COUNCILLOR

EXHIBIT "C"

KASABONIKA LAKE FIRST NATION
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

| | <u>2014</u> | <u>2013</u> |
|---------------------------------------|-----------------------------|--------------------------|
| BALANCE AT BEGINNING OF YEAR | \$ 11,500,729 | 12,360,474 |
| ANNUAL SURPLUS (DEFICIT), Exhibit "D" | <u>1,914,942</u> | <u>(859,745)</u> |
| BALANCE AT END OF YEAR | \$ <u>13,415,671</u> | <u>11,500,729</u> |

**KASABONIKA LAKE FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013**

| | <u>2014</u> | <u>2013</u> |
|--|----------------------------|-------------------------|
| REVENUE | | |
| Federal Government | | |
| AANDC | \$ 12,514,796 | 7,629,448 |
| Health Canada | | |
| Funding agreements | 1,598,787 | 1,486,859 |
| Capital renovations | 55,638 | 334,707 |
| Canada Mortgage and Housing Corporation | 435,083 | 479,071 |
| Provincial government | 2,701,208 | 2,391,285 |
| Ontario First Nations Limited Partnership | 1,158,581 | 1,144,515 |
| Other | <u>365,909</u> | <u>3,635,815</u> |
| | <u>18,830,002</u> | <u>17,101,700</u> |
| EXPENSES | | |
| Band Support | 1,434,349 | 1,584,024 |
| Municipal Services | 2,318,448 | 2,463,570 |
| Sineonokway Education Authority | 3,113,945 | 3,207,823 |
| Social Services | 2,483,291 | 2,237,551 |
| Economic Development | 82,692 | 82,301 |
| Capital Projects | 1,383,827 | 1,140,109 |
| Kasabonika Lake Housing Authority | 314,162 | 369,410 |
| OFNLP | 28 | 107,166 |
| Health Services | 1,622,695 | 1,517,014 |
| Other Programs | <u>6,117,494</u> | <u>4,139,423</u> |
| | <u>18,870,931</u> | <u>16,848,391</u> |
| ANNUAL SURPLUS (DEFICIT) BEFORE OTHER ITEMS | (40,929) | 253,309 |
| OTHER ITEMS | | |
| Transfer to tangible capital assets | 3,855,939 | 612,567 |
| Amortization | <u>(1,900,068)</u> | <u>(1,725,621)</u> |
| ANNUAL SURPLUS (DEFICIT) | \$ <u>1,914,942</u> | <u>(859,745)</u> |

EXHIBIT "D-1"

KASABONIKA LAKE FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

| | Revenue | | Annual Surplus (Deficit) | Fund Balance at Beginning of Year | Fund Balance at End of Year |
|-------------------------------------|---------------|-----------|--------------------------------|--|--------------------------------------|
| | AANDC | Other | | | |
| Band Support | \$ 915,406 | 824,615 | 1,740,021 | 1,942,388 | 2,248,060 |
| Municipal Services | 2,159,455 | 73,959 | 2,233,414 | (159,717) | (244,751) |
| Sineonokway Education Authority | 2,761,962 | 416,541 | 3,178,503 | 420,808 | 485,366 |
| Social Services | 458,000 | 2,014,833 | 2,472,833 | (73,335) | (83,793) |
| Economic Development | 82,300 | | 82,300 | (1,371) | (1,763) |
| Capital Projects | 721,334 | 565,442 | 1,286,776 | (411,951) | (509,002) |
| Kasabonika Lake Housing Authority | | 496,179 | 496,179 | | |
| OFNLP | | 28 | 28 | | |
| Health Services | | 1,526,822 | 1,526,822 | 13,360 | (82,513) |
| Other Programs | 5,416,339 | 396,787 | 5,813,126 | (694,026) | (998,394) |
| | \$ 12,514,796 | 6,315,206 | 18,830,002 | 1,036,156 | 813,210 |
| OTHER ITEMS | | | 19,052,948 | | |
| Transfer to tangible capital assets | | | 3,855,939 | 19,381,298 | 23,237,237 |
| Amortization | | | (1,718,051) | (8,916,725) | (10,634,776) |
| AANDC Funding Per Confirmation | \$ 12,514,796 | | \$ 1,914,942 | 11,500,729 | 13,415,671 |

KASABONIKA LAKE FIRST NATIONS
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

EXHIBIT "E"

| | <u>2014</u> | <u>2013</u> |
|---|-----------------------|--------------------|
| ANNUAL SURPLUS (DEFICIT), Exhibit "D" | \$ 1,914,942 | (859,745) |
| Acquisitions/disposal of tangible capital assets and capital assets under construction | (4,555,156) | (791,191) |
| Amortization of tangible capital assets | 1,900,068 | 1,725,621 |
| Acquisition (use) of inventory and prepaid expenses | <u>152,483</u> | <u>(356,987)</u> |
| INCREASE IN NET DEBT | (587,663) | (282,302) |
| NET DEBT AT BEGINNING OF YEAR | <u>(5,299,283)</u> | <u>(5,016,981)</u> |
| NET DEBT AT END OF YEAR | \$ <u>(5,886,946)</u> | <u>(5,299,283)</u> |

**KASABONIKA LAKE FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2014 AND 2013**

| | <u>2014</u> | <u>2013</u> |
|--|----------------------------|-------------------------|
| OPERATING TRANSACTIONS | | |
| Annual surplus (deficit) | \$ 1,914,942 | (859,745) |
| Non-cash items | | |
| Amortization | 1,900,068 | 1,725,621 |
| Change in reserve | (15,745) | 15,680 |
| Business enterprise equity | (35,372) | |
| Changes in financial assets/liabilities | | |
| Accounts receivable | (204,124) | 255,383 |
| Ottawa Trust Funds | (309) | (883) |
| Accounts payable | 404,024 | 1,177,298 |
| Deferred revenue | 3,081,154 | (746,895) |
| Changes in inventory and prepaids | <u>152,483</u> | <u>(356,987)</u> |
| | <u>7,197,121</u> | <u>1,209,472</u> |
| CAPITAL TRANSACTIONS | | |
| Acquisitions/disposal of tangible capital costs and assets under construction | <u>(4,555,156)</u> | <u>(791,191)</u> |
| FINANCIAL TRANSACTIONS | | |
| Principal repayments on long-term debt | (238,774) | (1,077,761) |
| Increase in bank indebtedness | 50,000 | |
| Increase in long-term debt | <u>725,671</u> | |
| | <u>536,897</u> | <u>(1,077,761)</u> |
| INVESTING TRANSACTIONS | | |
| (Increase) decrease in long-term investments | <u>(58,277)</u> | <u>1,018,593</u> |
| NET CHANGE IN CASH POSITION | 3,120,585 | 359,113 |
| CASH POSITION AT BEGINNING OF YEAR | <u>1,117,245</u> | <u>758,132</u> |
| CASH POSITION AT END OF YEAR | \$ <u>4,237,830</u> | <u>1,117,245</u> |
| SUPPLEMENTARY CASH FLOWS INFORMATION | | |
| Interest paid | \$ 133,805 | 136,927 |
| Interest received | 309 | 883 |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting for local government entities, as defined in the Public Sector Accounting and Auditing Handbook of the Canadian Institute of Chartered Accountants.

a) Nature and Purpose of Organization

The purpose of the organization is the management and administration of all aspects of the Kasabonika Lake First Nation. The organization operates with a Chief and Council, who are ultimately responsible for the establishment and administration of all programs of the First Nation.

b) Reporting Entity and Principles of Financial Reporting

The Kasabonika Lake First Nation reporting entity includes the Kasabonika Lake First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidations:

Kasabonika Lake First Nation Administration
Sineonokway Education Authority
Kasabonika Lake Housing Authority
Kasabonika Social Services

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual statements.

Incorporated business entities, which are owned or controlled by Kasabonika Lake First Nation Council and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. These include:

Petrokas Ltd.
Kasabonika Lake Construction Ltd.
Kasabonika Lake Community Development Corporation
846129 Ontario Inc.

c) Tangible Capital Assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods and delivering services. The organization does not capitalize computer software.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artefacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

d) Amortization

Amortization is provided for on a straight-line basis over the expected useful life of the assets in the table that follows. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

| | |
|------------------------------|-------------|
| Infrastructure | 10-15 years |
| Buildings and improvements | 10-15 years |
| General equipment | 3 years |
| Vehicles and heavy equipment | 3-5 years |

The Housing Authority's assets acquired under CMHC sponsored housing programs are amortized at a rate equivalent to the annual principal reduction on related long-term debt. For consolidation CMHC Housing is amortized on a straight line basis over 15 years.

e) Revenue Recognition

The First Nation follows the deferral method of accounting for revenue. Revenue is recognized as it becomes receivable under the terms of applicable funding agreements and can be reasonably estimated and collection is reasonably assured. Funding received under the funding arrangements which relates to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the balance sheet.

Other income, primarily fees for service, is recognized upon transfer of title of the product or upon performance of the service and when collectability is reasonably assured.

f) Financial Instruments

The First Nation's financial instruments consist of cash, accounts receivable, investments, accounts payable and long term debt. Unless otherwise noted it is management's opinion that the company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

The fair value of the First Nation's investments are recorded at cost as it is not practicable within the constraints of timeliness, or to determine the fair value, as the investments are not traded in an organized financial market.

g) Reserve Funds

The replacement reserve for the Kasabonika Lake Housing Authority is funded by an annual charge against earnings as opposed to an appropriation of surplus.

The operating reserve for the Kasabonika Lake Housing Authority is funded by an appropriation of surplus as specified by CMHC.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

h) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

i) Net Debt/Net Financial Assets

The organization's financial statements are presented so as to highlight net debt/net financial assets as the measurement of financial position. The net debt/net financial assets of the organization are determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

2. ECONOMIC DEPENDENCE

Kasabonika Lake First Nation receives a major portion of its revenues pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada.

3. CASH

| | <u>2014</u> | <u>2013</u> |
|---|----------------------------|-------------------------|
| Administration | \$ (49,938) | 405,383 |
| Diesel Upgrade | 3,031,473 | 17 |
| Nursing Station | 11,335 | 11,355 |
| School fuel | 347,973 | 56,215 |
| Lagoon project | 48,753 | 48,847 |
| OFNLP | 772 | 86,346 |
| Recreation | | 5 |
| Water Treatment Plant | | 160,651 |
| Revenue account | 13,153 | 13,173 |
| Social Services | 330,283 | 64,427 |
| Small Business Center | 266,036 | |
| Sineonokway Education Authority | (30,141) | (43,828) |
| Soil Remediation | | 24,483 |
| Kasabonika CMHC Housing Authority Operating account | 109,827 | 248,564 |
| Restricted Cash, CMHC Housing Authority | 14,787 | |
| Kasabonika CMHC Housing Authority Replacement Reserve | <u>143,517</u> | <u>41,607</u> |
| | \$ <u>4,237,830</u> | <u>1,117,245</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

4. ACCOUNTS RECEIVABLE

| | <u>2014</u> | <u>2013</u> |
|---|----------------------------|-------------------------|
| SINEONOKWAY EDUCATION AUTHORITY | | |
| Employee advances | \$ 19,485 | 19,770 |
| Keewatinook and Kwayaciiwin | 96,858 | 17,100 |
| GST receivable | 1,105 | |
| Allowance for doubtful accounts | <u>(19,485)</u> | <u>(20,857)</u> |
| | <u>97,963</u> | <u>16,013</u> |
| KASABONIKA LAKE HOUSING AUTHORITY | | |
| CMHC subsidies | 25,034 | 51,754 |
| Due from Band Members | 68,036 | 38,747 |
| Allowance for doubtful accounts | <u>(40,822)</u> | <u>(38,747)</u> |
| | <u>52,248</u> | <u>51,754</u> |
| ADMINISTRATION | | |
| MTO | 613,964 | |
| AANDC | 147,158 | 375,086 |
| CMHC - RRAP | 11,954 | 90,781 |
| CRA - GST Refunds | 247,313 | |
| Health Canada | 2,379 | 67,007 |
| KLFN Trust | 11,000 | 11,000 |
| Nishnawbe-Aski Nation | 24,868 | 10,768 |
| SLAAMB | 17,979 | 2,954 |
| Ministry of Health and Long Term Care - Homemakers | 6,148 | 9,991 |
| Ministry of Northern Development Mines and Forestry | 80,000 | 97,213 |
| Members loans/advances | 61,901 | 346,887 |
| Other | 156,189 | 173,671 |
| NOHFC | 7,675 | |
| Ministry of Community and Social Services | <u>55,204</u> | <u>156,193</u> |
| | 1,443,732 | 1,341,551 |
| Less allowance for doubtful accounts | <u>(281,825)</u> | <u>(291,324)</u> |
| | <u>1,161,907</u> | <u>1,050,227</u> |
| TOTAL ACCOUNTS RECEIVABLE | \$ <u>1,312,118</u> | <u>1,117,994</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

5. INVESTMENTS

Investments in First Nation Controlled Entities

| | <u>2014</u> | <u>2013</u> |
|--|---------------------------|-------------------------|
| 846129 Ontario Inc. (100%) | | |
| - share | \$ <u>1</u> | <u>1</u> |
| Kasabonika Lake Community Development Corporation (100%) | | |
| - advance (to) from | (53,452) | (174,168) |
| - accumulated (deficit) surplus | <u>3,795</u> | <u>(46,083)</u> |
| | \$ <u>(49,657)</u> | <u>(220,251)</u> |
| Kasabonika Lake Construction Ltd. (100%) | | |
| - share | \$ 1 | 1 |
| - advances to (from) | 11,631 | 11,631 |
| - accumulated deficit | <u>(12,632)</u> | <u>(12,632)</u> |
| | \$ <u>(1,000)</u> | <u>(1,000)</u> |
| Petrokas Ltd. (100%) | | |
| - share | \$ 1 | 1 |
| - contributed capital | 844,051 | 844,051 |
| - advances to (from) | (373,310) | (272,985) |
| - accumulated deficit | <u>(392,028)</u> | <u>(357,132)</u> |
| | \$ <u>78,714</u> | <u>213,935</u> |
| Total Investments in First Nation Controlled Entities | \$ <u>28,057</u> | <u>(7,315)</u> |
| Investment in Landmark Inn, a non-controlled entity | \$ <u>158,277</u> | <u>100,000</u> |

The operations of RONA - Sioux Lookout ceased during 2009. As of June 30, 2011 the First Nation's capital account balance in Landmark Inn Limited Partnership was \$142,758. No new financial statements have been received.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

5. INVESTMENTS, continued

Financial information for the Kasabonika Lake First Nation controlled entities for the year ending March 31, 2014 is as follows:

| | 846129 Ontario Inc. | Kasabonika Lake Community Development Corporation | Kasabonika Lake Construction | Petrokas Ltd. |
|-------------------------------------|---------------------------|--|------------------------------------|----------------------------|
| Cash | \$ | 95,364 | | 77,794 |
| Accounts receivable | | 4,615 | | 14,832 |
| Inventory | | | | 1,149,934 |
| Tangible capital assets | | 2,931,563 | | 364,354 |
| Other assets | | <u>204,478</u> | | <u>222,284</u> |
| Total Assets | | <u>3,236,020</u> | | <u>1,829,198</u> |
| Accounts payable | | 51,087 | | 322,459 |
| Long-term debt | | 1,022,614 | 1,000 | |
| Other liabilities | | <u>2,158,525</u> | <u>11,631</u> | <u>1,089,923</u> |
| Total Liabilities | | <u>3,232,226</u> | <u>12,631</u> | <u>1,412,382</u> |
| Equity (Deficiency) | | <u>3,795</u> | <u>(12,631)</u> | <u>416,816</u> |
| Total Liabilities and Equity | | <u>3,236,021</u> | | <u>1,829,198</u> |
| Revenue | | 731,627 | | 2,214,748 |
| Expenses | | 628,121 | | 2,157,401 |
| Debt servicing | | <u>53,628</u> | | <u>22,451</u> |
| Total expenses | | <u>681,749</u> | | <u>2,179,852</u> |
| Net Income (Deficit) | \$ | <u>49,878</u> | | <u>(34,896)</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

6. OTTAWA TRUST ACCOUNT

The Ottawa Trust Account arises from monies derived from capital or revenue source as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

Funds On Deposit With AANDC

| | | |
|------------------------------|-------------------------|----------------------|
| Balance at beginning of year | \$ 12,422 | 11,539 |
| Interest and other income | <u>309</u> | <u>883</u> |
| Balance at end of year | \$ <u>12,731</u> | <u>12,422</u> |

7. BANK INDEBTEDNESS

The First Nation has the following credit facilities with the Royal Bank:

- a) \$125,000 revolving demand facility repayable in \$5,000 increments with interest at Royal Bank prime rate plus 1.5%.
- b) \$75,000 revolving demand facility repayable in \$5,000 increments with interest at Royal Bank prime rate plus 1.5%.
- c) \$70,000 revolving demand facility repayable in \$5,000 increments with interest at Royal Bank prime rate plus 1.5%.

The First Nation has utilized \$110,000 of the operating line as at March 31, 2014.

The First Nation has provided the Royal Bank the following security for the above facilities:

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases (collectively, the "Security") shall include:

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower.
- b) Band Council resolutions signed by a quorum of the Chief and Council of the Borrower authorizing the Borrowings as contemplated in this agreement.
- c) Assignment signed by the Chief and Council of the Borrower and the Bank assigning and directing funds from OFNLP to the Bank
- d) Band Council resolution certified by a quorum of Chief and Council of the Borrower, granting the Bank and its agents, employees, successors and assigns access to the Reserve.
- e) Irrevocable letter of direction from the Borrower to Aboriginal Affairs and Northern Development Canada directing the Borrower to deposit all funds received from AANDC into the account(s) in the name of the Borrower.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

8. ACCOUNTS PAYABLE

| | 2014 | | | | 2013 |
|------------------------|-----------------------|-------------|--|------------------|------------------|
| | <u>Administration</u> | <u>CMHC</u> | <u>Sineonokway Education Authority</u> | <u>Total</u> | <u>Total</u> |
| Trade | \$ 2,288,742 | | 81,116 | 2,369,858 | 1,909,006 |
| AANDC | | | | | 29,791 |
| GST | 60,713 | | | 60,713 | |
| Health Canada | | | | | 23,335 |
| Salaries and benefits | <u>44,448</u> | | <u>30,580</u> | <u>75,028</u> | <u>139,443</u> |
| Total Accounts Payable | \$ <u>2,393,903</u> | | <u>111,696</u> | <u>2,505,599</u> | <u>2,101,575</u> |

9. DEFERRED REVENUE

Funding (expenditures) in the current period to be applied against subsequent period programs are recorded as incomplete projects in the financial statements.

Deferred revenue consists of the following:

| | <u>Schedule</u> | <u>Opening Balance</u> | <u>Funding Received</u> | <u>Revenue Recognized</u> | <u>Closing Balance</u> |
|------------------------|-----------------|----------------------------|-----------------------------|-------------------------------|----------------------------|
| Small Business Center | 10-17 | \$ 175,209 | 394,860 | 535,054 | 35,015 |
| OFNLP | 8 | 158,404 | 1,000,177 | 1,158,581 | |
| Health Programs | 9-1 | 20,918 | 1,598,787 | 1,474,705 | 145,000 |
| Language Mapping | 10-18 | 26,624 | | 26,624 | |
| Lagoon Project | 10-13 | 27,917 | | 10,168 | 17,749 |
| MTO Gravel Haul | 10-15 | | 748,677 | 478,677 | 270,000 |
| Diesel Project Upgrade | 10-15 | | <u>4,000,000</u> | <u>977,538</u> | <u>3,022,462</u> |
| | | \$ <u>409,072</u> | <u>7,742,501</u> | <u>4,661,347</u> | <u>3,490,226</u> |

10. LONG TERM DEBT

| | <u>2014</u> | <u>2013</u> |
|---|-------------|-------------|
| Royal Bank of Canada Capital Lease, interest at 5.36% per annum, repayable at \$4,634.79 per month principal and interest, maturing July 8, 2016 with option to purchase for \$1.00. Secured by 2011 John Deere Dozer with a cost of \$154,500. | \$ 117,124 | |

| | | |
|--|---------|--|
| Royal Bank of Canada Capital Lease, interest at 4.8283% per annum, repayable at \$2,476.02 per month principal and interest, maturing February 24, 2019 with option to purchase for \$1.00. Secured by two 2014 Thunderbird School buses with a cost of \$131,908. | 127,999 | |
|--|---------|--|

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

EXHIBIT "G"

10. LONG TERM DEBT, continued

| | <u>2014</u> | <u>2013</u> |
|---|----------------------------|-------------------------|
| Royal Bank of Canada Capital Lease, interest at 4.4873% per annum, repayable monthly at \$11,512.29 principal and interest, maturing February 12, 2016 with option to purchase for \$1.00. Secured by a 2010 John Deere Dump Truck with a cost of \$263,900. | \$ 242,792 | |
| Royal Bank of Canada Capital Lease, interest at 4.8281% per annum, repayable at \$1,535.32 per month principal and interest, maturing March 2, 2019 with option to purchase for \$1.00. Secured by EMS Van with a cost of \$81,794. | 80,854 | |
| Royal Bank of Canada Capital Lease, interest at 4.7876% per annum, repayable at \$2,385.18 per month principal and interest, maturing February 24, 2018 with option to purchase for \$1.00. Secured by 2014 Freightliner septic truck with a cost of \$104,102. | 100,146 | |
| The First Nation has obtained financing to build houses through Section 95 CMHC housing loans. Through this program the First Nation receives government assistance to operate as rental units. The following loans are guaranteed by Aboriginal Affairs and Northern Development Canada. | | |
| CMHC loan payable, interest at 2.63% per annum, repayable at \$4,783 per month principal and interest, maturing June 1, 2016. | 790,394 | 826,190 |
| CMHC loan payable, interest at 2.11% per annum, repayable at \$5,489 per month principal and interest, maturing December 1, 2014. | 1,062,137 | 1,102,772 |
| CMHC loan payable, interest at 2.35% per annum, repayable at \$2,039 per month principal and interest, maturing September 1, 2014. | 381,079 | 395,793 |
| CMHC loan payable, interest at 2.57% per annum, repayable at \$9,255 per month principal and interest, maturing December 1, 2014. | 1,779,363 | 1,844,266 |
| CMHC loan payable, interest at 1.67% per annum, repayable at \$3,196 per month principal and interest, maturing March 1, 2017. | \$ <u>733,386</u> | <u>759,356</u> |
| | 5,415,274 | 4,928,377 |
| Less current portion | <u>432,981</u> | <u>177,609</u> |
| | \$ <u>4,982,293</u> | <u>4,750,768</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

10. LONG TERM DEBT, continued

Estimated annual principal payments for the next five fiscal years are as follows:

| | | |
|------------|----|-------------------------|
| 2015 | \$ | 432,981 |
| 2016 | | 426,113 |
| 2017 | | 280,934 |
| 2018 | | 270,994 |
| 2019 | | 248,383 |
| Thereafter | | <u>3,755,869</u> |
| | \$ | <u>5,415,274</u> |

11. RESERVES

Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, an annual allocation is to be credited to the Replacement Reserve account. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal.

The reserve has been fully funded in a separate interest bearing account.

The Housing Authority has approved eligible replacement expenditures totalling \$45,567 for the year ended March 31, 2014.

Operating Reserve Fund - Post 1996 Section 95 Programs

Under the terms of the agreement with Canada Mortgage and Housing Corporation, any surplus remaining after the payment of all costs and expenses, including the allocation to the Replacement Reserve, should be retained by the First Nation in an Operating Reserve Fund. These funds, along with the accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as many otherwise be mutually agreed to by the First Nation and CMHC. The funds in this account may only be used for the ongoing operating costs of the project. Accordingly, future years' deficit may be recovered from this fund. Withdrawals are credited to interest first and then principal.

The reserve has been fully funded in a separate interest bearing account.

Reserves are comprised of:

| | <u>2014</u> | <u>2013</u> |
|-----------------------------------|--------------------------|-----------------------|
| Kasabonika Lake Housing Authority | | |
| Replacement reserve | \$ 117,714 | 125,819 |
| Operating reserve | <u>7,146</u> | <u>14,786</u> |
| | \$ <u>124,860</u> | <u>140,605</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

EXHIBIT "G"

12. INVENTORY AND PREPAID EXPENSES

Inventory balance is comprised of the following, based on an invoice price at the time of purchase.

| | <u>2014</u> | <u>2013</u> |
|-------------------|--------------------------|-----------------------|
| Culverts | \$ | 22,400 |
| Building material | 505,320 | 624,010 |
| Fuel | <u>505,320</u> | <u>15,000</u> |
| | 3,607 | 661,410 |
| Prepaid expenses | <u>3,607</u> | <u>661,410</u> |
| | \$ <u>508,927</u> | <u>661,410</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

13. TANGIBLE CAPITAL ASSETS AND ASSETS UNDER CONSTRUCTION

| | 2014 | | | | 2013 | | | | | |
|-----------------------------------|----------------------|--------------------------|--------------------|-----------------------------|-------------------|--------------------|--------------------------|--------------------|-----------------------------|-------------------|
| | Cost Mar. 31/13 | Additions (Disposals) | Cost Mar. 31/14 | Accumulated Amortization | Net Book Value | Cost Mar. 31/12 | Additions (Disposals) | Cost Mar. 31/13 | Accumulated Amortization | Net Book Value |
| Equipment | \$ 966,974 | 1,023,181 | 1,990,155 | 797,101 | 1,193,054 | 720,652 | 246,322 | 966,974 | 590,718 | 376,256 |
| Vehicles | 1,555,634 | 560,282 | 2,115,916 | 1,621,301 | 494,615 | 1,505,660 | 49,974 | 1,555,634 | 1,468,715 | 86,919 |
| Buildings and improvements | 6,320,386 | 1,863,712 | 8,184,098 | 2,702,223 | 5,481,875 | 4,872,941 | 1,447,445 | 6,320,386 | 2,218,680 | 4,101,706 |
| Infrastructure | 9,060,659 | | 9,060,659 | 4,199,099 | 4,861,560 | 9,060,659 | | 9,060,659 | 3,595,055 | 5,465,604 |
| CMHC Housing | | | | | | | | | | |
| Land - 6 units 1987 | 50,000 | | 50,000 | | 50,000 | 50,000 | | 50,000 | | 50,000 |
| Buildings - 6 units 1987 | 546,167 | (546,167) | | | | 546,167 | | 546,167 | | |
| Buildings - 7 units 2006 | 1,025,367 | | 1,025,367 | 581,041 | 444,326 | 1,025,367 | | 1,025,367 | 512,684 | 512,683 |
| Buildings - 8 units 2009 | 1,255,050 | | 1,255,050 | 460,185 | 794,865 | 1,255,050 | | 1,255,050 | 376,515 | 878,535 |
| Buildings - 6 units 2009 | 450,000 | | 450,000 | 165,000 | 285,000 | 450,000 | | 450,000 | 135,000 | 315,000 |
| Buildings - 10 units 2010 | 2,526,341 | | 2,526,341 | 757,903 | 1,768,438 | 2,526,341 | | 2,526,341 | 589,480 | 1,936,861 |
| Buildings - 4 units 2014 | 1,082,448 | | 1,082,448 | 180,408 | 902,040 | 1,082,448 | | 1,082,448 | 108,245 | 974,203 |
| | <u>24,839,026</u> | <u>1,901,008</u> | <u>27,740,034</u> | <u>11,464,261</u> | <u>16,275,773</u> | <u>23,095,285</u> | <u>1,743,741</u> | <u>24,839,026</u> | <u>10,141,259</u> | <u>14,697,767</u> |
| Assets Under Construction | | | | | | | | | | |
| Diesel plant construction | 977,538 | 977,538 | | 977,538 | | 1,431,670 | (1,431,670) | 813,547 | | 813,547 |
| Police building | | | | | | 797,955 | 15,592 | 93,443 | | 93,443 |
| Diesel plant upgrade | 813,547 | (813,547) | | | | 93,443 | | 25,549 | | 25,549 |
| Band office renovations | 93,443 | (93,443) | | | | 44,767 | | 44,767 | | 44,767 |
| Community center renovations | 25,549 | (25,549) | | | | | | | | |
| Housing renovations | 44,767 | (44,767) | | | | | | | | |
| School & tank farm fuel project | | 962,386 | 962,386 | | 962,386 | | | | | |
| Nursing stations | 334,912 | (334,912) | | | | | | 334,912 | | 334,912 |
| Arena | 95,846 | (95,846) | | | | | | 95,846 | | 95,846 |
| Small Business Center | 32,751 | 535,054 | 567,805 | | 567,805 | | | 32,751 | | 32,751 |
| Sewage Lagoon | 20 | 10,168 | 10,188 | | 10,188 | | | 20 | | 20 |
| Capital assets under construction | <u>1,440,835</u> | <u>1,077,082</u> | <u>2,517,917</u> | | <u>2,517,917</u> | <u>393,384</u> | <u>(952,549)</u> | <u>1,440,835</u> | | <u>1,440,835</u> |
| | <u>\$ 26,279,861</u> | <u>3,978,090</u> | <u>30,257,951</u> | <u>11,464,261</u> | <u>18,793,690</u> | <u>25,488,669</u> | <u>791,192</u> | <u>26,279,861</u> | <u>10,141,259</u> | <u>16,138,602</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

14. FUND BALANCE

A portion of this balance includes surpluses and/or deficits from funds contributed by government agencies. Such surpluses/deficits may be subject to repayment or recovery by the contributing agencies, depending on the terms and conditions of the relevant contribution arrangements.

15. FEDERAL ASSISTANCE PAYMENTS

The Housing Authority has received federal assistance through Canada Mortgage and Housing Corporation to enable the project to provide housing to low-income individuals. The amount of assistance received in 2014 was \$306,858 (2013 - \$330,726).

16. COMPARATIVE FIGURES

Some of the comparative figures for the previous years have not been shown as the information is considered not to be meaningful for comparison with the current year. Certain comparative figures for the previous year have been reclassified to conform with the presentation of the current year.

17. BUDGET INFORMATION

Budget data was included when available. The budget figures are unaudited.

18. RELATED PARTY TRANSACTIONS

During the year the First Nation had numerous related party transactions with Kasabonika Lake Construction Ltd, Petrokas Ltd. and Kasabonika Lake Community Development Corporation. These transactions were incurred in the normal course of operations and are measured at the exchange amount.

At the end of the year the amounts due from (to) related parties were as follows:

| | <u>2014</u> | <u>2013</u> |
|---|----------------------------|-------------------------|
| Kasabonika Lake Construction Ltd. | \$ 11,630 | 11,630 |
| Petrokas Ltd. | (373,309) | (272,985) |
| Kasabonika Lake Community Development Corporation | 153,376 | (174,168) |
| Kasabonika Lake First Nation Trust | <u>11,000</u> | <u>11,000</u> |
| | \$ <u>(197,303)</u> | <u>(424,523)</u> |

These balances are unsecured, interest free and payable on demand.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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19. CONTINGENCIES AND COMMITMENTS

The First Nation is acting as the agent for applicants who received forgivable loans under the CMHC Residential Rehabilitation Assistance Program (RRAP) and is secured by a mortgage on the fixed assets. The forgiveness of the capital is subject to specific conditions and is forgiven at various amounts per annum.

The First Nation has provided a guarantee for the non-revolving credit facilities of Petrokas Ltd., a wholly owned company. The balance outstanding at March 31, 2014 was \$1,089,923.

The First Nation received a statement from Workplace Safety and Insurance Board indicating a balance payable of \$802,120. This is an arbitrary assessment by the Board and the First Nation disputes the entire amount.

20. SUBSEQUENT EVENT

Capital Lease

Subsequent to year-end the capital lease on the articulated dump truck was paid out and the vehicle purchased for \$241,758.

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

21. SEGMENT DISCLOSURE

| | Band Support | | Municipal Services | | Social Services | |
|---|------------------|------------------|--------------------|------------------|------------------|------------------|
| | <u>Budget</u> | <u>2014</u> | <u>Budget</u> | <u>2014</u> | <u>Budget</u> | <u>2014</u> |
| | <u>2013</u> | <u>2013</u> | <u>2013</u> | <u>2013</u> | <u>2013</u> | <u>2013</u> |
| REVENUE | | | | | | |
| Federal government | \$ 915,406 | 915,406 | 934,841 | 2,075,872 | 251,700 | 458,000 |
| Provincial government | | | | 2,159,455 | 711,138 | 481,400 |
| Economic activities | | | | 2,029,419 | | 2,132,373 |
| Net income for investments in government business enterprises | | | | | | 1,809,566 |
| Other revenue | 680,335 | 824,306 | 932,422 | 82,800 | | (117,540) |
| | | 309 | 147,568 | | | |
| | | 824,306 | 932,422 | 73,959 | | |
| TOTAL REVENUE | <u>1,595,761</u> | <u>1,740,021</u> | <u>2,014,831</u> | <u>2,233,414</u> | <u>962,838</u> | <u>2,280,125</u> |
| EXPENSES | | | | | | |
| Honoraria | | | | | | |
| Chief and Councillors | 421,214 | 425,246 | 395,120 | 20,000 | | |
| Elders and Board Members | 12,000 | 7,900 | 7,250 | 20,000 | | |
| Wages and benefits | 648,924 | 689,007 | 385,224 | 423,544 | 444,887 | 435,916 |
| Amortization | | 1,685,660 | 1,505,346 | 366,486 | | 361,701 |
| Tangible Capital Assets | | (3,855,939) | (612,567) | | | |
| Interest | | | | | | |
| Other expenses | 457,938 | 312,196 | 796,430 | 1,715,127 | 518,041 | 2,047,375 |
| | | | | 1,865,096 | | 1,875,850 |
| TOTAL EXPENSES | <u>1,540,076</u> | <u>(735,930)</u> | <u>2,476,803</u> | <u>2,158,671</u> | <u>962,928</u> | <u>2,237,551</u> |
| ANNUAL SURPLUS (DEFICIT) | \$ <u>55,685</u> | <u>2,475,951</u> | <u>(461,972)</u> | <u>1</u> | <u>(90)</u> | <u>42,574</u> |
| | | | | <u>(85,034)</u> | <u>(122,955)</u> | <u>(10,458)</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

21. SEGMENT DISCLOSURE, continued

| | Economic Development | | Education | | Housing | |
|---------------------------------|----------------------|---------------|---------------|------------------|------------------|------------------|
| | <u>Budget</u> | <u>2014</u> | <u>2013</u> | <u>Budget</u> | <u>2014</u> | <u>2013</u> |
| REVENUE | | | | | | |
| Federal government | \$ 82,300 | 82,300 | 82,300 | 2,664,580 | 2,761,962 | 2,676,646 |
| Provincial government | | | | | | |
| Economic activities | | | | | | |
| Net income for investments in | | | | | | |
| government business enterprises | | | | | | |
| Other revenue | | | | 385,818 | 416,541 | 369,913 |
| | | | | | 189,321 | 242,882 |
| TOTAL REVENUE | <u>82,300</u> | <u>82,300</u> | <u>82,300</u> | <u>3,050,398</u> | <u>3,178,503</u> | <u>3,046,559</u> |
| | | | | <u>481,337</u> | <u>496,179</u> | <u>573,608</u> |
| EXPENSES | | | | | | |
| Honoraria | | | | | | |
| Chief and Councillors | | | | | | |
| Elders and Board Members | | | | 12,000 | 11,247 | 12,000 |
| Wages and benefits | 64,704 | 75,667 | 69,300 | 2,399,633 | 2,260,655 | 1,925,976 |
| Amortization | | | | | 32,391 | 16,077 |
| Tangible Capital Assets | | | | | | |
| Interest | | | | | | |
| Other expenses | <u>17,596</u> | <u>7,025</u> | <u>13,001</u> | <u>804,120</u> | <u>842,043</u> | <u>1,269,847</u> |
| | | | | | 182,017 | 204,198 |
| TOTAL EXPENSES | <u>82,300</u> | <u>82,692</u> | <u>82,301</u> | <u>3,215,753</u> | <u>3,146,336</u> | <u>3,223,900</u> |
| | | | | <u>481,337</u> | <u>496,179</u> | <u>573,608</u> |
| ANNUAL SURPLUS (DEFICIT) | \$ | <u>(392)</u> | <u>(1)</u> | <u>(165,355)</u> | <u>32,167</u> | <u>(177,341)</u> |

KASABONIKA LAKE FIRST NATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2013

21. SEGMENT DISCLOSURE, continued

| | Health | | Community Services | | Total | |
|---|---------------|-------------|--------------------|---------------|-------------|-------------|
| | <u>Budget</u> | <u>2014</u> | <u>2013</u> | <u>Budget</u> | <u>2014</u> | <u>2013</u> |
| REVENUE | | | | | | |
| Federal government | \$ 1,621,452 | 1,654,904 | 1,486,859 | 2,554,807 | 6,265,898 | 1,573,187 |
| Provincial government | | | | 10,472,974 | 14,604,304 | 9,595,378 |
| Economic activities | | | | 327,640 | 568,497 | 581,719 |
| Net income for investments in government business enterprises | | | | | | |
| Other revenue | 41,184 | (127,603) | (122,389) | 4,181,387 | 265,505 | 4,127,464 |
| | | | | | 309 | 147,568 |
| TOTAL REVENUE | 1,622,636 | 1,526,822 | 1,364,470 | 7,063,834 | 7,099,900 | 6,282,370 |
| | | | | 17,057,776 | 18,829,972 | 17,984,878 |
| EXPENSES | | | | | | |
| Honoraria | | | | | | |
| Chief and Councillors | | | | 441,214 | 445,246 | 395,120 |
| Elders and Board Members | 17,060 | 9,030 | 10,310 | 26,625 | 26,625 | 30,000 |
| Wages and benefits | 899,785 | 862,076 | 653,514 | 1,987,280 | 1,920,018 | 1,419,975 |
| Amortization | | | | 6,868,757 | 6,676,691 | 5,182,176 |
| Tangible Capital Assets | | | | 303,950 | 1,900,068 | 1,725,621 |
| Interest | | | | | (3,855,939) | (612,567) |
| Other expenses | 667,645 | 751,589 | 699,019 | 5,255,561 | 5,554,706 | 4,974,072 |
| | | | | | 121,934 | |
| TOTAL EXPENSES | 1,584,490 | 1,622,695 | 1,362,843 | 7,269,466 | 7,501,349 | 6,424,047 |
| | | | | 16,915,021 | 16,915,060 | 18,844,623 |
| ANNUAL SURPLUS (DEFICIT) | \$ 78,146 | (95,873) | 1,627 | (205,632) | (401,449) | (141,677) |
| | | | | (237,245) | 1,914,912 | (859,745) |