

POPLAR HILL FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

POPLAR HILL FIRST NATION  
MARCH 31, 2015

COUNCIL

Chief	Alice Suggashie
Deputy Chief	Howard Comber
Councillors	Phil Howe
	Gary Owen
	Jim Suggashie
	Pardemus Owen

FIRST NATION ADMINISTRATION

Band Administrator	Charlie Moose
Social Services Director	Arnold Moose
Education Director	Donald Moose
Education Secretary	Anne Anderson
Power Authority Administrator	Leon Strang

POPLAR HILL FIRST NATION  
INDEX  
FOR THE YEAR ENDED MARCH 31, 2015

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

EXHIBITS

INDEPENDENT AUDITORS' REPORT	"A"
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	"B"
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS	"C"
CONSOLIDATED STATEMENT OF OPERATIONS	"D"
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT	"E"
CONSOLIDATED STATEMENT OF CASH FLOWS	"F"
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	"G"

POPLAR HILL FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2015

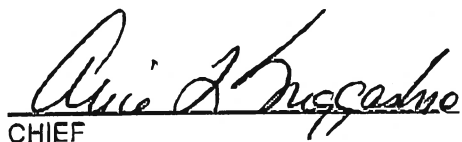
**MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS**

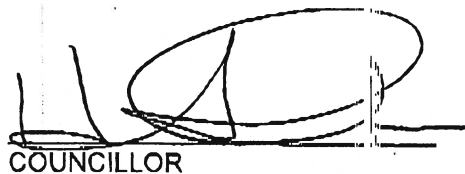
The consolidated financial statements of the Poplar Hill First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the integrity and objectivity of the financial statements. Estimates are necessary in the preparation of these 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 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

  
ADMINISTRATOR

  
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)

101 - 1180 Pembina Highway  
Winnipeg, Manitoba R3T 2A4  
Telephone (204) 452-6449  
Fax (204) 452-3397

## INDEPENDENT AUDITORS' REPORT

To the Chief, Councillors and Members of  
Poplar Hill First Nation

We have audited the accompanying consolidated financial statements of Poplar Hill First Nation, which comprise the consolidated statement of financial position as at March 31, 2015 and the consolidated statements of operations and accumulated surplus, consolidated statements of operations, consolidated statements of change in net debt and consolidated statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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 qualified audit opinion.

### **Basis for Qualified Opinion**

We did not observe the opening balance of fuel inventory at April 1, 2014 nor were we able to satisfy ourselves by alternative means as to the quantity and book value of fuel inventory at March 31, 2015. Since opening fuel inventory enters into the determination of the results of operations and changes in financial position, we were unable to determine what adjustments, if any, might be necessary to assets, annual surplus (deficit) and accumulated surplus.

The First Nation has undertaken to identify the total cost of tangible capital assets not previously recorded and any impairment or related amortization attributed to each of those assets. The full extent of these unrecorded assets and their appropriate amortization is not determinable as at the date of this audit report. As a result, we were unable to determine what further adjustments, if any, might be necessary to tangible capital assets, annual surplus and accumulated surplus.

### **Qualified 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 Poplar Hill First Nation as at March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

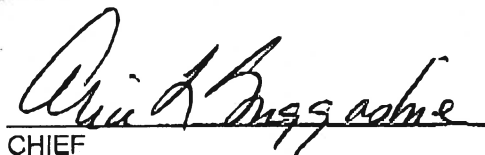
WINNIPEG, MANITOBA  
June 8, 2015.

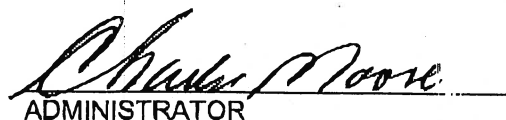
  
CHARTERED ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

POPLAR HILL FIRST NATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2015

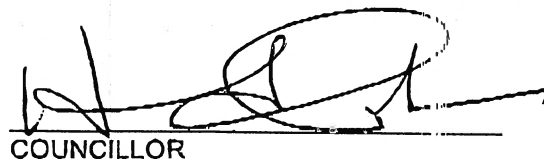
	<u>2015</u>	<u>2014</u>
<b>FINANCIAL ASSETS</b>		
Cash, Note 2	\$	88,452
Investment, Note 2	17,144	76,137
Accounts receivable, Note 3	297,946	153,159
Funds, on deposit with AANDC, Note 4	<u>37,624</u>	<u>30,759</u>
Total financial assets	<u>352,714</u>	<u>348,507</u>
<b>LIABILITIES</b>		
Bank indebtedness, Note 2	62,756	
Accounts payable and accrued liabilities, Note 5	1,012,455	1,160,681
Deferred revenue, Note 6	531,045	7,318
Obligations under Capital Lease, Note 7	32,850	66,400
Demand loan, Note 8	<u>1,099,957</u>	<u>1,210,145</u>
Total liabilities	<u>2,739,063</u>	<u>2,444,544</u>
NET DEBT, Exhibit "E"	<u>(2,386,349)</u>	<u>(2,096,037)</u>
<b>NON-FINANCIAL ASSETS</b>		
Inventory, Note 9	770,411	1,059,539
Tangible capital assets, Note 10	<u>16,264,444</u>	<u>15,098,981</u>
	<u>17,034,855</u>	<u>16,158,520</u>
ACCUMULATED SURPLUS (DEFICIT), Exhibit "C"	\$ <u>14,648,506</u>	<u>14,062,483</u>

APPROVED ON BEHALF OF FIRST NATION COUNCIL

  
 CHIEF

  
 ADMINISTRATOR

  
 COUNCILLOR

  
 COUNCILLOR

POPLAR HILL FIRST NATION  
 CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
 FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
REVENUE		
AANDC	\$ 6,111,403	4,292,745
Health Canada - Flexible Funding Agreement	850,022	839,688
Health Canada - Capital Funding Agreement	915,328	36,896
Provincial funding	2,036,262	1,731,849
OFNLP	855,228	825,988
Other	<u>1,482,581</u>	<u>1,912,943</u>
	12,250,824	9,640,109
AANDC net deferred revenue	<u>(192,387)</u>	<u>9,264</u>
	<u>12,058,437</u>	<u>9,649,373</u>
EXPENSES		
Band Support	773,831	924,839
Social Services	2,125,775	2,063,452
Education Authority	1,628,378	1,580,944
Power Authority	1,450,862	1,508,575
Economic Development	384,660	348,504
Public Works	1,917,234	2,166,307
Capital	3,225,763	1,223,233
OFNLP	1,121	253
Operating Programs	<u>1,130,253</u>	<u>1,075,366</u>
	<u>12,637,877</u>	<u>10,891,473</u>
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER ITEMS	(579,440)	(1,242,100)
OTHER ITEMS		
Transfer to tangible capital assets	2,305,219	70,583
Amortization	<u>(1,139,756)</u>	<u>(1,130,436)</u>
ANNUAL SURPLUS (DEFICIT)	586,023	(2,301,953)
ACCUMULATED SURPLUS (DEFICIT) AT BEGINNING OF YEAR	<u>14,062,483</u>	<u>16,364,436</u>
ACCUMULATED SURPLUS (DEFICIT) AT END OF YEAR	\$ <u>14,648,506</u>	<u>14,062,483</u>

POPLAR HILL FIRST NATION  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2015

	Schedule	AANDC	Revenue		Total	Expenses	Transfers	Annual Surplus (Deficit)
				Other				
BAND SUPPORT	1	\$ 456,315	111,930		568,245	773,831	100,000	(105,586)
SOCIAL SERVICES	2	540,307	1,655,028		2,195,335	2,125,775	(85,941)	(16,381)
EDUCATION AUTHORITY	3	1,504,061	132,302		1,636,363	1,628,378		7,985
POWER AUTHORITY	4	475,000	555,255		1,030,255	1,450,862	404,107	(16,500)
ECONOMIC DEVELOPMENT	5	50,000	536,659		586,659	384,660	(218,000)	(16,001)
PUBLIC WORKS	6	1,242,333	204,723		1,447,056	1,917,234	235,941	(234,237)
CAPITAL	7	1,651,000	952,200		2,603,200	3,225,763	418,000	(204,563)
OFNLP	8		855,228		855,228	1,121	(854,107)	
OPERATING PROGRAMS	9		1,129,231		1,129,231	1,130,253		(1,022)
FUNDS ON DEPOSIT WITH AANDC, Note 4			6,865		6,865			6,865
		\$ 5,919,016	6,139,421		12,058,437	12,637,877		(579,440)
OTHER ITEMS								
Transfer to tangible capital assets								2,305,219
Amortization								(1,139,756)
ANNUAL SURPLUS (DEFICIT)								\$ 586,023

EXHIBIT "E"

POPLAR HILL FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT  
FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
ANNUAL SURPLUS (DEFICIT), Exhibit "C"	\$ 586,023	(2,301,953)
Acquisition of tangible capital assets	(2,305,219)	(70,583)
Amortization of tangible capital assets	1,139,756	1,130,436
Change in inventory	<u>289,128</u>	<u>90,484</u>
INCREASE (DECREASE) IN NET DEBT	(290,312)	(1,151,616)
NET DEBT AT BEGINNING OF YEAR	<u>(2,096,037)</u>	<u>(944,421)</u>
NET DEBT AT END OF YEAR	\$ <u>(2,386,349)</u>	<u>(2,096,037)</u>

POPLAR HILL FIRST NATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 586,023	(2,301,953)
Add non-cash item		
Amortization	1,139,756	1,130,436
Net change in financial assets/liabilities		
Accounts receivable	(144,787)	99,093
Funds on deposit with AANDC	(6,865)	(9,537)
Accounts payable and accrued liabilities	(148,226)	(297,885)
Deferred revenue	523,727	(9,827)
Change in inventory	<u>289,128</u>	<u>90,484</u>
	<u>2,238,756</u>	<u>(1,299,189)</u>
CAPITAL TRANSACTIONS		
Acquisitions of tangible capital assets	<u>(2,305,219)</u>	<u>(70,583)</u>
FINANCING TRANSACTIONS		
Proceeds of demand loan	1,000,000	1,824,570
Increase (repayments) of long term debt	<u>(1,143,738)</u>	<u>(645,744)</u>
	<u>(143,738)</u>	<u>1,178,826</u>
NET CHANGE IN CASH POSITION	(210,201)	(190,946)
CASH POSITION AT BEGINNING OF YEAR	<u>164,589</u>	<u>355,535</u>
CASH POSITION AT END OF YEAR, Note 2	\$ <u>(45,612)</u>	<u>164,589</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 45,562	24,736
Interest received	765	1,326

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles 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 First Nation manages and administers all aspects of the Poplar Hill First Nation. The First Nation 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 Poplar Hill First Nation reporting entity includes the Poplar Hill 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:

Poplar Hill First Nation Administration  
Poplar Hill Education Authority  
Obesahdekong Power Authority

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 the Poplar Hill 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. The Poplar Hill First Nation does not have any entities to report using the modified equity method.

Incorporated business entities, which are not controlled by the First Nation and are not dependent on the First Nation are recorded by the cost method. These investments are recorded by the cost method as opposed to the lower of cost or net realizable value because the net realizable value is determinable. The First Nation does not have any investments to report using the cost method.

c) 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, are recognized upon transfer of title of the product or upon performance of the service and when collectability is reasonably assured.

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

d) 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 First Nation does not capitalize computer software or equipment.

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.

e) Amortization

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

Land improvements and grounds	10 years
Buildings	25 years
Furniture and equipment	5 years
Vehicles	4 years
Heavy equipment and large vehicles	10 years
Water and sewer	25 years
Fuel tanks and pumps	10 years
Power generation	20 years
Outdoor lighting	20 years

f) Net Debt/Net Financial Assets

The First Nation'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 First Nation are determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

g) Inventory

Inventory is valued at the lower of cost and net realized value. Cost is determined on a first-in first-out basis.

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - continued

h) Financial Instruments

*Initial and subsequent measurement*

The First Nation initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The First Nation subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis include cash, accounts receivable and fund on deposit.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities and deferred revenue, obligations under capital lease and demand loan.

*Transaction costs*

Transactions costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

i) 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.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flows statement comprise the following balance sheet amounts:

	<u>2015</u>	<u>2014</u>
Cash balances with banks	\$ (62,756)	88,452
Guaranteed investment Certificates	<u>17,144</u>	<u>76,137</u>
Cash and cash equivalents	\$ <u><b>(45,612)</b></u>	<u><b>164,589</b></u>

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

3. ACCOUNTS RECEIVABLE	<u>2015</u>	<u>2014</u>
ADMINISTRATION AND HEALTH		
AANDC - Community Economic Development Program	\$	4,171
- Student Transportation		512
- Basic needs	20,531	
- Special needs	1,035	
- Fuel - Power Authority	25,000	
- Fuel Tanks Upgrade	<u>137,925</u>	
	184,491	<u>4,683</u>
Trade receivables	<u>70,378</u>	<u>71,488</u>
	<u>254,869</u>	<u>76,171</u>
SOCIAL SERVICES		
AANDC		301
Ministry of Community and Social Services General assistance	<u>42,249</u>	<u>76,480</u>
	<u>42,249</u>	<u>76,781</u>
EDUCATION		
NNEC	<u>828</u>	<u>207</u>
TOTAL ACCOUNTS RECEIVABLE	\$ <u>297,946</u>	<u>153,159</u>

4. FUNDS ON DEPOSIT WITH AANDC

Ottawa Trust Funds 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 Sections 63 to 69 of the Indian Act.

	<u>2015</u>	<u>2014</u>
BALANCE AT BEGINNING OF YEAR	\$ 30,759	21,222
AMOUNTS PLACED ON DEPOSIT DURING THE YEAR	<u>6,865</u>	<u>9,537</u>
BALANCE AT END OF YEAR	\$ <u>37,624</u>	<u>30,759</u>

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2015</u>	<u>2014</u>
ADMINISTRATION		
Profor Engineering	\$ 47,532	
Fox Construction	464,099	
Suncor Energy Products		286,280
Pritchard Industrial	69,001	
CRA - source deductions	82,156	29,643
Springhill Lumber	226,304	330,150
Trade payables - other	<u>110,234</u>	<u>256,418</u>
	<u>999,326</u>	<u>902,491</u>
EDUCATION AUTHORITY		
Trade payables	<u>13,129</u>	<u>99,027</u>
POWER AUTHORITY		
Suncor Energy Products	—	<u>159,163</u>
TOTAL ACCOUNTS PAYABLE	<b>\$ <u>1,012,455</u></b>	<b><u>1,160,861</u></b>

## 6. DEFERRED REVENUE

Funding received or receivable in the current period to be applied against subsequent period programs are recorded as deferred revenue in the financial statements.

Deferred revenue consists of the following:

	<u>Opening Balance</u>	<u>Funding Received</u>	<u>Revenue Recognized</u>	<u>Closing Balance</u>
OFNLP	\$ 7,318	850,113	855,228	2,203
Diesel Generators Rebuild		290,120	202,685	87,435
Fuel Tanks Storage Upgrade		1,327,925	1,222,973	104,952
Health Emergency Generators		915,328	662,799	252,529
Motel Extension	—	<u>270,619</u>	<u>186,693</u>	<u>83,926</u>
	<b>\$ <u>7,318</u></b>	<b><u>3,654,105</u></b>	<b><u>3,130,378</u></b>	<b><u>531,045</u></b>

## 7. OBLIGATIONS UNDER CAPITAL LEASE

Poplar Hill First Nation entered into a capital lease with Caterpillar Financial for heavy equipment as follows:

	<u>2015</u>	<u>2014</u>
2012 Caterpillar D5K Tractor		
Principal amount \$157,338 repayable at \$3,090.29 per month for 60 months including interest at 6.9%.	\$ 32,850	66,400
Current portion	<u>32,850</u>	<u>33,550</u>
	<b>\$ —</b>	<b><u>32,850</u></b>

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 8. DEMAND LOAN

	<u>2015</u>	<u>2014</u>
Bank of Montreal, operating demand loan for fuel, interest at Bank of Montreal prime rate plus 2%, repayable at \$91,667 per month plus interest, maturing May 30, 2014.	\$	210,575
Bank of Montreal, operating demand loan for fuel, interest at Bank of Montreal prime rate plus 1.875%, repayable at \$99,957 per month plus interest, payments beginning June 30, 2014 and maturing April 30, 2015.	99,957	999,570
Bank of Montreal, operating demand loan for fuel, interest at Bank of Montreal prime rate plus 2.50%, repayable at \$95,645 per month plus interest, payments beginning May 31, 2015 and maturing March 31, 2016.	1,000,000	

The above loans are secured by:

1. Band Council Resolution
  - a) agreeing to contents of BMO's Commitment and acknowledging the outlined debt obligations to BMO
  - b) authorizing direction of funding of AANDC and OFNLP (Casino Rama) to BMO accounts
  - c) authorizing a credit report from the Bank of Nova Scotia
  - d) authorizing a Chief's Certificate.
2. Operating Demand Loan Agreement
3. Demand Loan Non-Revolving Agreement
4. Corporate Mastercard Agreement
5. Copy of AANDC Funding Agreement

	<u>\$ 1,099,957</u>	<u>1,210,145</u>
--	---------------------	------------------

## 9. INVENTORY

	<u>2015</u>	<u>2014</u>
Public Works, fuel	\$ 166,985	225,670
Power Authority, fuel	545,090	749,072
Education Authority, fuel	<u>58,336</u>	<u>84,797</u>
	<u>\$ 770,411</u>	<u>1,059,539</u>

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 10. TANGIBLE CAPITAL ASSETS

		2015				
		Cost	Additions	Cost	Accumulated	Net Book
		<u>Mar. 31/14</u>	<u>(Disposals)</u>	<u>Mar. 31/15</u>	<u>Amortization</u>	<u>Value</u>
Buildings	\$	8,921,205		8,921,205	3,083,076	5,838,129
Vehicles		97,383		97,383	97,383	
Equipment		6,085		6,085	1,825	4,260
Heavy equipment and large vehicles		926,181		926,181	594,129	332,052
Water and sewer		11,506,194		11,506,194	6,197,277	5,308,917
Power generation		4,408,972		4,408,972	2,087,356	2,321,616
Outdoor lighting		4,884		4,884	2,809	2,075
Assets under construction						
School planning and design		<u>152,176</u>	<u>2,305,219</u>	<u>2,457,395</u>		<u>2,457,395</u>
	\$	<b>26,023,080</b>	<b>2,305,219</b>	<b>28,328,299</b>	<b>12,063,855</b>	<b>16,264,444</b>

		2014				
		Cost	Additions	Cost	Accumulated	Net Book
		<u>Mar. 31/13</u>	<u>(Disposals)</u>	<u>Mar. 31/14</u>	<u>Amortization</u>	<u>Value</u>
Buildings	\$	8,921,205		8,921,205	2,726,228	6,194,977
Vehicles		97,383		97,383	89,251	8,132
Equipment			6,085	6,085	608	5,477
Heavy equipment and large vehicles		872,701	53,480	926,181	501,511	424,670
Water and sewer		11,506,194		11,506,194	5,737,029	5,769,165
Power generation		4,408,972		4,408,972	1,866,907	2,542,065
Outdoor lighting		4,884		4,884	2,565	2,319
Assets under construction						
School planning and design		<u>141,158</u>	<u>11,018</u>	<u>152,176</u>		<u>152,176</u>
	\$	<b><u>25,952,497</u></b>	<b><u>70,583</u></b>	<b><u>26,023,080</u></b>	<b><u>10,924,099</u></b>	<b><u>15,098,981</u></b>

## 11. SURPLUS (DEFICIT)

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 agreements.

## 12. ECONOMIC DEPENDENCE

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

## 13. COMPARATIVE FIGURES

Prior year's comparative amounts have been reclassified where necessary to conform to the current period's presentation. Certain comparative figures for the previous period have not been shown as the information is considered not to be meaningful for comparison with the current period.

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

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 14. SEGMENT DISCLOSURE

	Band Support		Social Services		Education	
	Budget	2015	2014	Budget	2015	2014
REVENUE						
Federal government	\$ 457,728	456,315	492,428	514,841	540,307	556,466
Provincial government				1,315,751	1,504,061	1,367,438
Economic activities				1,597,603	1,650,072	1,537,368
Net income from investments in government business enterprises		6,865	9,537			
Other revenue	891,700	967,158	899,477	4,956	12,804	132,302
				161,100		155,775
TOTAL REVENUE	1,349,428	1,430,338	1,401,442	2,112,444	2,195,335	2,106,638
				1,476,851	1,636,363	1,523,213
EXPENSES						
Honoraria - Chief and Councillors	500,000	463,295	510,241			
- Elders and Board Members				88,110	97,426	86,382
Wages and benefits	113,000	111,538	110,322	260,186	255,084	1,095,539
Amortization		1,139,756	1,130,436			1,110,399
Tangible capital assets		(2,305,219)	(70,583)			
Interest						
Other expenses	178,700	200,119	222,415	1,736,685	1,863,534	1,808,368
				250,380	391,048	384,163
TOTAL EXPENSES	791,700	(390,511)	1,902,831	1,996,871	2,125,775	2,063,452
				1,434,029	1,628,378	1,580,944
SURPLUS (DEFICIT) BEFORE TRANSFERS	557,728	1,820,849	(501,389)	115,573	69,560	43,186
				42,822	7,985	(57,731)
TRANSFERS		(754,107)	(731,319)	(85,941)	(85,941)	(31,389)
ANNUAL SURPLUS (DEFICIT)	\$ 557,728	1,066,742	(1,232,708)	29,632	(16,381)	11,797
				42,822	7,985	(57,731)

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 14. SEGMENT DISCLOSURE, continued

	Power Authority		Economic Development		Public Works	
	Budget	2015	Budget	2015	Budget	2015
REVENUE						
Federal government		\$ 475,000	50,000	50,000	1,242,333	1,217,015
Provincial government		317,043				
Economic activities			412,030	536,659		
Net income from investments in government business enterprises						
Other revenue	720,000	555,255			108,000	205,799
TOTAL REVENUE	720,000	1,030,255	462,030	586,659	1,350,333	1,422,814
EXPENSES						
Honoraria - Chief and Councillors						
- Elders and Board Members						
Wages and benefits	128,000	121,030	114,458	117,810	560,750	482,408
Amortization						
Tangible capital assets		46,562				
Interest		18,972				
Other expenses	1,360,400	1,329,832	222,015	266,850	1,271,766	1,683,899
TOTAL EXPENSES	1,488,400	1,450,862	336,473	384,660	1,832,516	2,166,307
SURPLUS (DEFICIT) BEFORE TRANSFERS	768,400	420,607	125,557	201,999	(482,183)	(743,493)
TRANSFERS		404,107	(127,000)	(218,000)	85,941	322,708
ANNUAL SURPLUS (DEFICIT)	\$ (768,400)	(16,500)	(1,443)	(16,001)	(396,242)	(420,785)

POPLAR HILL FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015

## 14. SEGMENT DISCLOSURE, continued

	Capital and Housing		Health and Operating Programs		Totals	
	<u>Budget</u>	<u>2015</u>	<u>Budget</u>	<u>2015</u>	<u>Budget</u>	<u>2015</u>
REVENUE						
Federal government	\$ 2,835,715	2,313,799	850,022	839,688	7,266,390	5,178,593
Provincial government	270,619	186,693	199,497	194,481	2,067,719	1,731,849
Economic activities					412,030	407,902
Net income from investments in government business enterprises						536,659
Other revenue	213,046	102,708	79,712	40,453	2,173,558	6,865
					2,046,814	2,239,378
TOTAL REVENUE	3,319,380	2,603,200	1,129,231	1,074,622	11,919,697	12,058,437
						9,567,259
EXPENSES						
Honoraria - Chief and Councillors					500,000	463,295
- Elders and Board Members				3,408	88,110	97,426
Wages and benefits	300,000	217,549	1,033,858	1,033,798	3,605,791	3,738,699
Amortization						1,139,756
Tangible capital assets						(2,305,219)
Interest						46,562
Other expenses	3,316,061	3,008,214	95,373	96,455	8,431,380	8,291,895
						6,683,223
TOTAL EXPENSES	3,616,061	3,225,763	1,129,231	1,130,253	12,625,281	11,472,414
						11,869,212
SURPLUS (DEFICIT) BEFORE TRANSFERS	(296,681)	(622,563)	(1,022)	(744)	(705,584)	586,023
						(2,301,953)
TRANSFERS	127,000	418,000				
ANNUAL SURPLUS (DEFICIT)	\$ (169,681)	(204,563)	(1,022)	(744)	(705,584)	586,023
						(2,301,953)