

**The Ojibway Nation of Saugeen
Consolidated Financial Statements**

March 31, 2014

The Ojibway Nation of Saugeen Contents

For the year ended March 31, 2014

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Management's Responsibility

To the Members and Chief and Council of The Ojibway Nation of Saugeen

The accompanying consolidated financial statements of The Ojibway Nation of Saugeen 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 consolidated financial statements.

The The Ojibway Nation of Saugeen 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[, internal auditors,] and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Accountants, 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.

July 28, 2014


Vicki MacKenzie
Band Manager

Independent Auditors' Report



To the Chief and Council and Members of The Ojibway Nation of Saugeen:

We have audited the accompanying consolidated financial statements of The Ojibway Nation of Saugeen, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and accumulated surplus, change in net financial assets 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 audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Ojibway Nation of Saugeen as at March 31, 2014 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

MNP LLP

Chartered Professional Accountants

Kenora, Ontario

July 28, 2014

Licensed Public Accountants



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The Ojibway Nation of Saugeen
Consolidated Statement of Financial Position
As at March 31, 2014

| | 2014 | 2013 |
|---|-------------------|------------------|
| | <i>(Restated)</i> | |
| Financial assets | | |
| Current | | |
| Cash (Note 3) | 582,745 | 905,469 |
| Temporary investments (Note 4) | 2,061,057 | 2,042,443 |
| Accounts receivable (Note 5) | 449,237 | 515,682 |
| | 3,093,039 | 3,463,594 |
| Funds held in Ottawa Trust Fund (Note 6) | 44,309 | 43,214 |
| | 3,137,348 | 3,506,808 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals (Note 7) | 232,055 | 351,344 |
| Deferred revenue (Note 8) | 2,347,088 | 2,741,424 |
| | 2,579,143 | 3,092,768 |
| Net financial assets | 558,205 | 414,040 |
| Non-financial assets | | |
| Tangible capital assets (Schedule 1) | 2,749,878 | 2,783,651 |
| Prepaid expenses | 3,500 | - |
| Total non-financial assets | 2,753,378 | 2,783,651 |
| Accumulated surplus (Note 9) | 3,311,583 | 3,197,691 |

Approved on behalf of the Chief and Council

E. Nash
John K. Nash

Chief

Councilor

Gladys Or Nash

Councilor

Councilor

The Ojibway Nation of Saugeen
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 (Restated) |
|--|------------------------|------------------|----------------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 808,360 | 850,688 | 919,555 |
| First Nation and Inuit Health | 412,838 | 368,962 | 394,331 |
| Solicitor General | 16,068 | 16,068 | 16,068 |
| Ontario First Nations Limited Partnership | 452,179 | 419,979 | 422,318 |
| Sioux Lookout Area Aboriginal Management Board | 95,188 | 77,110 | 97,060 |
| Rental income | 47,860 | 36,162 | 20,020 |
| Administration fees | 27,639 | 29,193 | 37,922 |
| Interest income | - | 19,642 | 18,181 |
| Miscellaneous | - | 17,674 | 22,365 |
| Northern Nishnawbe Education Council | 696 | 2,088 | 2,088 |
| First Nation Student Success Program | - | 28,000 | 39,900 |
| Keewaytinook Internet High School | 6,768 | - | - |
| Hydro One | - | - | 25,171 |
| Repayment of funding | - | (29,206) | (19,860) |
| Deferred revenue - prior year <i>(Note 8)</i> | 37,287 | 2,741,423 | 2,571,496 |
| Deferred revenue - current year <i>(Note 8)</i> | - | (2,347,088) | (2,741,423) |
| | 1,904,883 | 2,230,695 | 1,825,192 |
| Expenses | | | |
| Administration | 268,817 | 220,876 | 203,159 |
| Capital Funds | 442,674 | 658,100 | 346,820 |
| Community and Economic Development | 187,529 | 152,388 | 179,810 |
| Education | 326,241 | 301,314 | 272,556 |
| Health Services | 424,269 | 455,223 | 446,514 |
| Ontario First Nations Limited Partnership | - | 132,825 | 222,075 |
| Operations and Maintenance | 149,250 | 196,077 | 206,811 |
| Total expenses (Schedule 2) | 1,798,780 | 2,116,803 | 1,877,745 |
| Surplus (deficit) | 435,485 | 113,892 | (52,553) |
| Accumulated surplus, beginning of year | 3,197,691 | 3,145,283 | 3,250,244 |
| Prior period adjustment (Note 16) | - | 52,408 | - |
| Accumulated surplus, beginning of year, as restated | 3,197,691 | 3,197,691 | 3,250,244 |
| Accumulated surplus, end of year | 3,633,176 | 3,311,583 | 3,197,691 |

The accompanying notes are an integral part of these financial statements

The Ojibway Nation of Saugeen
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 (Restated) |
|--|------------------------|----------------|----------------------------|
| Annual surplus (deficit) | - | 113,892 | (52,553) |
| Purchases of tangible capital assets | - | (294,161) | - |
| Amortization of tangible capital assets | - | 327,934 | 327,935 |
| Acquisition of prepaid expenses | - | 33,773 | 327,935 |
| Increase in net financial assets | - | 144,165 | 275,382 |
| Net financial assets, beginning of year | - | 414,040 | 138,658 |
| Net financial assets, end of year | - | 558,205 | 414,040 |

The Ojibway Nation of Saugeen
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|-------------------|-------------|
| | <i>(Restated)</i> | |
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Surplus (deficit) | 113,892 | (52,553) |
| Non-cash items | 327,934 | 327,935 |
| Amortization | | |
| | 441,826 | 275,382 |
| Changes in working capital accounts | | |
| Accounts receivable | 66,445 | (353,395) |
| Prepaid expenses | (3,500) | - |
| Accounts payable and accruals | (119,290) | (50,417) |
| Deferred revenue | (394,336) | 169,929 |
| | (8,855) | 41,499 |
| Financing activities | | |
| Increase in Funds Held in Ottawa Trust Fund | (1,094) | (1,036) |
| Capital activities | | |
| Purchases of tangible capital assets | (294,161) | - |
| Increase (decrease) in cash resources | (304,110) | 40,463 |
| Cash resources, beginning of year | 2,947,912 | 2,907,449 |
| Cash resources, end of year | 2,643,802 | 2,947,912 |
| Cash resources are composed of: | | |
| Cash | 582,745 | 905,469 |
| Temporary investments | 2,061,057 | 2,042,443 |
| | 2,643,802 | 2,947,912 |

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

The Ojibway Nation of Saugeen (the "First Nation") is located in the Province of Ontario, and provides various services to its members.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian Public Sector accounting standards and includes the following significant accounting policies:

Reporting entity

The Ojibway Nation of Saugeen reporting entity includes the First Nation Government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation.

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

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.

Basis of presentation

Sources of financing 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

Cash resources includes balances with banks and short-term investments with maturities of less than one year.

Temporary investments

Temporary investments are valued at the lower of cost and market value.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of the First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on the sale of land or other First Nation capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

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

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives. No amortization is taken in the year of acquisition.

| | Method | Rate |
|-----------------------------------|---------------|----------|
| Housing | straight-line | 25 years |
| Housing - Betterments | straight-line | 10 years |
| Community buildings | straight-line | 25 years |
| Community buildings - Betterments | straight-line | 10 years |
| Infrastructure | straight-line | 25 years |
| Automotive | straight-line | 5 years |
| Heavy equipment | straight-line | 5 years |
| Roads | straight-line | 30 years |

The First Nation has incurred costs toward the construction of a community centre with a carrying value of \$23,206. As such, amortization of this asset under construction has not been recorded during the year.

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 assets' carrying value exceeds its fair value. Any impairment is included in the statement of operation for the year in which the asset becomes impaired.

Non-financial assets

The First Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide Government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Government unless they are sold.

Net financial assets

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

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

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 consolidated statement of financial position in the year of receipt. Certain revenue may be repayable if surpluses exist or reporting requirements are not met.

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.

Deferred revenue

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.

Other revenue

Other revenue such as user fees, rent, administration fees are recognized when service is provided and collectability is reasonably assured. Investment income is recognized on the accrual basis.

Measurement uncertainty

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting year.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on estimated useful lives of the tangible capital assets. Accounts payable and accruals are based on historical charges for unbilled goods and services at year end.

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

Segments

The First Nation conducts its business through seven reportable segments: Administration, Capital Funds, Community and Economic Development, Education, Health Services, Ontario First Nations Limited Partnership and Operations and Maintenance. 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 consolidated financial statements as disclosed in the significant accounting policies.

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Cash

| | 2014 | 2013 |
|-----------------------------|----------------|---------|
| Funds held in trust - OFNLP | 248,489 | 771,219 |
| CIBC | 35,603 | 121,971 |
| Royal Bank | 298,653 | 12,279 |
| | 582,745 | 905,469 |

4. Temporary investments

| | 2014 | 2013 |
|---|------------------|-----------|
| Scotiabank Flexible GIC, interest at 1.00%, due February 2015 | 2,052,739 | 2,034,191 |
| Royal Bank GIC, interest at 0.80%, due March 2015 | 8,318 | 8,252 |
| | 2,061,057 | 2,042,443 |

The fair market value of the short-term investment is \$2,061,057 (\$2,042,443 - March 31, 2013) with a historical acquisition cost of \$2,050,156 (\$2,042,443 - March 31, 2013).

5. Accounts receivable

| | 2014 | 2013 (Restated) |
|--|----------------|--------------------|
| Aboriginal Affairs and Northern Development Canada | 244,569 | 446,783 |
| First Nation and Inuit Health | 175,064 | - |
| Health and Welfare Canada | 15,161 | 15,161 |
| Other receivables | 29,604 | 54,020 |
| Solicitor General | - | 16,068 |
| Northern Nishnawbe Education Council | - | 174 |
| Band Members | - | 25 |
| | 464,398 | 532,231 |
| Allowance for doubtful accounts | (15,161) | (16,549) |
| | 449,237 | 515,682 |

6. Funds Held in Ottawa Trust Fund

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 and end of year | 7,167 | 7,167 |
| Revenue Trust | | |
| Balance, beginning of year | 36,047 | 35,011 |
| Interest | 1,095 | 1,036 |
| | | |
| Balance, end of year | 37,142 | 36,047 |
| | | |
| | 44,309 | 43,214 |

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

7. Accounts payable and accruals

| | 2014 | 2013 |
|------------------------------|----------------|----------------|
| Trade payables | 151,069 | 278,611 |
| Employee remittances payable | 5,359 | 3,686 |
| Accruals | 20,000 | 20,000 |
| Funding repayable | 55,627 | 49,047 |
| | 232,055 | 351,344 |

8. Deferred revenue

| | Balance March 31, 2013 | Funding Received 2014 | Other Revenue 2014 | Revenue Recognized 2014 | Balance March 31, 2014 |
|---|------------------------------|-----------------------------|--------------------------|-------------------------------|------------------------------|
| Federal Government | | | | | |
| Capital projects | | | | | |
| Health - Clinic Renovations | 25,241 | - | - | 25,241 | - |
| Other | | | | | |
| Aboriginal Affairs and Northern Development Canada | - | 25,000 | - | 10,125 | 14,875 |
| Other | | | | | |
| Ontario First Nations Limited Partnership | 2,147,415 | - | 438,527 | 813,210 | 1,772,732 |
| Ontario First Nations Limited Partnership - Future Generations | 531,481 | - | - | - | 531,481 |
| First Nation Student Success Program | 37,286 | - | 28,000 | 37,286 | 28,000 |
| | 2,716,182 | - | 466,527 | 850,496 | 2,332,213 |
| | 2,741,423 | 25,000 | 466,527 | 885,862 | 2,347,088 |

Deferred revenue represents unspent accountable contributions for programs which are not completed at year-end. The unspent revenue is carried forward to be matched with the additional expenses to be incurred in subsequent years.

9. Accumulated surplus

Accumulated surplus consists of the following:

| | 2014 | 2013 (Restated) |
|-------------------------------|-------------|---------------------------|
| Unrestricted surplus | 3,267,274 | 3,098,733 |
| Internally restricted surplus | - | 55,744 |
| Equity in Ottawa Trust Funds | 44,309 | 43,214 |
| | | 3,311,583 |
| | | 3,197,691 |

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

10. Financial Management

During the year Aboriginal Strategies Inc. was contracted voluntarily by the First Nation to manage and administer all programs funded by the Department of Aboriginal Affairs and Northern Development Canada.

| | 2014 | 2013 |
|-------------|---------------|-------------|
| Fees | 58,818 | 55,200 |

11. Financial instruments

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

12. Economic dependence

The Ojibway Nation of Saugeen receives 55% (2013 - 42%) of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) and First Nations and Inuit Health (FNIH) as a result of treaties entered into with the Government of Canada. These treaties are administered by AANDC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

13. Budget information

The disclosed budget information has been approved by the Chief and Council.

14. Comparative figures

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

15. Supplemental cash flow information

The First Nation has followed the indirect method of accounting for cash flows. In addition to items reported in the statement of cash flows, the First Nation paid \$0 (\$0 - March 31, 2013) in interest and received \$19,642 (\$18,181 - March 31, 2013) of interest.

16. Prior period adjustment

During the year the First Nation received funding from AANDC in the amount of \$32,388 related to the 2012/2013 reporting period. This additional funding was a result of an additional agreement for the period that was paid on January 17, 2014. This resulted in accounts receivable and revenue being understated in 2012/2013.

During the year the First Nation also received payment of rental income in the amount of \$20,020 from Tikinagan related to the 2012/2013 reporting period. This resulted in accounts receivable and revenue being understated in 2012/2013.

The result of these two prior period adjustments is an increase in the opening accumulated surplus balance of \$52,408.

The Ojibway Nation of Saugeen
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

17. Ontario First Nations Limited Partnership

Commencing with the 2012 fiscal year and in each fiscal year thereafter during the initial and renewal terms of the agreement between the Province of Ontario and Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to OFNLP 12 monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the First Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development and economic development.

The First Nation holds a unit in the Ontario First Nations Limited Partnership, and a share in a related Ontario First Nations General Partner Inc. - the carrying values of which are nominal and are therefore not recorded in these financial statements.

18. Government transfers

| Federal government transfers: | Operating | Capital | 2014 | 2013 |
|--|------------------|----------------|------------------|-------------|
| Aboriginal Affairs and Northern Development Canada | 850,688 | - | 850,688 | 919,555 |
| First Nations and Inuit Health | 368,962 | - | 368,962 | 394,331 |
| Solicitor General | 16,068 | - | 16,068 | 16,068 |
| Total Federal | 1,235,718 | - | 1,235,718 | 1,329,954 |

The Ojibway Nation of Saugeen
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

| | <i>Housing</i> | <i>Housing - Betterments</i> | <i>Community buildings</i> | <i>Community buildings - Betterments</i> | <i>Infrastructure</i> | <i>Automotive</i> | <i>Subtotal</i> |
|--|------------------|------------------------------|----------------------------|--|-----------------------|-------------------|------------------|
| Cost | | | | | | | |
| Balance, beginning of year | 3,279,782 | 604,697 | 1,522,782 | 243,300 | 866,636 | 255,801 | 6,772,998 |
| Acquisition of tangible capital assets | - | - | - | - | - | 65,955 | 65,955 |
| Balance, end of year | 3,279,782 | 604,697 | 1,522,782 | 243,300 | 866,636 | 321,756 | 6,838,953 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 1,786,320 | 551,401 | 993,220 | 83,020 | 658,642 | 180,126 | 4,252,729 |
| Annual amortization | 131,191 | 10,983 | 60,911 | 24,330 | 34,665 | 14,204 | 276,284 |
| Balance, end of year | 1,917,511 | 562,384 | 1,054,131 | 107,350 | 693,307 | 194,330 | 4,529,013 |
| Net book value of tangible capital assets | 1,362,271 | 42,313 | 468,651 | 135,950 | 173,329 | 127,426 | 2,309,940 |
| 2013 Net book value of tangible capital assets | 1,493,462 | 53,296 | 529,562 | 160,280 | 207,994 | 75,675 | 2,520,269 |

The Ojibway Nation of Saugeen
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

| | <i>Subtotal</i> | <i>Heavy equipment</i> | <i>Roads</i> | <i>Assets under construction</i> | <i>2014</i> | <i>2013</i> |
|--|------------------|------------------------|----------------|----------------------------------|------------------|------------------|
| Cost | | | | | | |
| Balance, beginning of year | 6,772,998 | 599,587 | 405,099 | - | 7,777,684 | 7,777,684 |
| Acquisition of tangible capital assets | 65,955 | 205,000 | - | 23,206 | 294,161 | - |
| Balance, end of year | 6,838,953 | 804,587 | 405,099 | 23,206 | 8,071,845 | 7,777,684 |
| Accumulated amortization | | | | | | |
| Balance, beginning of year | 4,252,729 | 498,487 | 242,817 | - | 4,994,033 | 4,666,098 |
| Annual amortization | 276,284 | 38,160 | 13,490 | - | 327,934 | 327,935 |
| Balance, end of year | 4,529,013 | 536,647 | 256,307 | - | 5,321,967 | 4,994,033 |
| Net book value of tangible capital assets | 2,309,940 | 267,940 | 148,792 | 23,206 | 2,749,878 | 2,783,651 |
| 2013 Net book value of tangible capital assets | 2,520,269 | 101,100 | 162,282 | - | 2,783,651 | |

The Ojibway Nation of Saugeen
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2014

| | <i>2014 Budget</i> | <i>2014</i> | <i>2013</i> |
|--|------------------------|------------------|-------------|
| Consolidated expenses by object | | | |
| Administrative expenses | - | 29,192 | 37,922 |
| Amortization of tangible capital assets | - | 327,934 | 327,935 |
| Bad debts | - | 15,161 | - |
| Bank and interest charges | - | 2,634 | 3,889 |
| Capital, operations and maintenance | - | 417,763 | 137,346 |
| Co-Management fees | - | 58,818 | 55,200 |
| Community events | - | 24,982 | 5,990 |
| Community, health and economic development | - | 132,825 | 224,247 |
| Education, training and travel | - | 65,751 | 61,718 |
| Honoraria, salaries, wages and benefits | - | 742,439 | 832,673 |
| Member support | - | - | 1,400 |
| Office, materials, supplies and utilities | - | 252,674 | 163,501 |
| Professional fees | - | 46,630 | 25,924 |
| | - | 2,116,803 | 1,877,745 |

The Ojibway Nation of Saugeen
Schedule 3 - Consolidated Summary of Consolidated Schedules of Segment Revenue and Expenses
For the year ended March 31, 2014

| | Schedule # | AANDC Revenue | Other Revenue | Deferred Revenue | Total Revenue | Total Expenses | Adjustments/Transfers From (To) | Current Surplus (Deficit) |
|--|------------|---------------|---------------|------------------|---------------|----------------|---------------------------------|---------------------------|
| Administration | | | | | | | | |
| Administration | 4 | 212,685 | 47,961 | - | 260,646 | 220,876 | 47,967 | 87,737 |
| Capital | | | | | | | | |
| Capital Funds | 5 | 147,380 | - | - | 147,380 | 658,100 | 334,088 | (176,632) |
| Community and Economic Development | | | | | | | | |
| Community and Economic Development | 6 | 70,200 | 109,724 | (14,875) | 165,049 | 152,388 | 3,564 | 16,225 |
| Education | | | | | | | | |
| Education | 7 | 315,323 | 4,430 | 9,287 | 329,040 | 301,314 | - | 27,726 |
| Health | | | | | | | | |
| Health Services | 8 | - | 368,962 | 25,241 | 394,203 | 455,223 | 20,560 | (40,460) |
| Ontario First Nations Limited Partnership | | | | | | | | |
| Ontario First Nations Limited Partnership | 9 | - | 438,527 | 374,683 | 813,210 | 132,825 | (452,179) | 228,206 |
| Operations and Maintenance | | | | | | | | |
| Operations & Maintenance | 10 | 105,100 | - | - | 105,100 | 196,077 | 46,000 | (44,977) |
| | | 850,688 | 969,604 | 394,336 | 2,214,628 | 2,116,803 | - | 97,825 |

The Ojibway Nation of Saugeen
Administration
Schedule 4 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|--|------------------------|----------------|----------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 203,637 | 212,685 | 233,537 |
| Administration fees | 27,639 | 29,193 | 37,922 |
| Miscellaneous | - | 17,674 | 22,365 |
| Interest income | - | 1,094 | 1,036 |
| | 231,276 | 260,646 | 294,860 |
| Expenses | | | |
| Amortization | - | 8,053 | 8,053 |
| Audit fees | 16,000 | 20,625 | 20,625 |
| Automotive | 282 | - | 1,085 |
| Bank charges and interest | 1,663 | 1,909 | 3,203 |
| Co-Management fees | - | 58,818 | 27,600 |
| Insurance | 8,740 | 8,740 | - |
| Office equipment | 1,776 | - | 8,350 |
| Office supplies | 9,028 | 3,808 | 7,300 |
| Professional fees | 68,840 | - | - |
| Repairs and maintenance | 1,120 | 1,120 | - |
| Salaries and benefits | 140,607 | 107,510 | 103,826 |
| Social assistance | - | - | 1,400 |
| Telephone | 10,177 | 10,293 | 10,015 |
| Training | - | - | 2,490 |
| Travel | 10,584 | - | 9,212 |
| | 268,817 | 220,876 | 203,159 |
| Surplus (deficit) before transfers | (37,541) | 39,770 | 91,701 |
| Transfers | 2,917 | 47,967 | - |
| Surplus (deficit) | (34,624) | 87,737 | 91,701 |

The Ojibway Nation of Saugeen
Capital Funds
Schedule 5 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|--|------------------------|------------------|-------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 147,380 | 147,380 | 147,516 |
| Expenses | | | |
| Amortization | - | 204,663 | 171,095 |
| Insurance | - | 34,088 | 30,135 |
| Renovations | 210,834 | 192,343 | - |
| Repairs and maintenance | 86,291 | 89,048 | 35,210 |
| Salaries and benefits | 76,163 | 71,901 | 110,380 |
| Utilities | 69,386 | 66,057 | - |
| | 442,674 | 658,100 | 346,820 |
| Deficit before transfers | (295,294) | (510,720) | (199,304) |
| Transfers | 300,000 | 334,088 | - |
| Deficit | 4,706 | (176,632) | (199,304) |

The Ojibway Nation of Saugeen
Community and Economic Development
Schedule 6 - Consolidated Schedule of Segment of Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 (Restated) |
|--|------------------------|----------------|----------------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 45,200 | 70,200 | 56,560 |
| Solicitor General | 16,068 | - | - |
| Sioux Lookout Area Aboriginal Management Board | 95,183 | 77,110 | 97,060 |
| Rental income | 45,760 | 34,320 | 20,020 |
| Hydro One | - | - | 25,171 |
| Repayment of funding | - | (1,706) | (10,160) |
| Deferred revenue - current year | - | (14,875) | - |
| | 202,211 | 165,049 | 188,651 |
| Expenses | | | |
| Administration | - | - | 3,793 |
| Business development | - | - | 2,172 |
| Equipment rental | - | - | 2,600 |
| Fuel | 4,250 | 3,000 | - |
| Furniture and equipment supplies | 890 | 280 | 70 |
| Insurance | 2,319 | 2,319 | - |
| Miscellaneous | - | - | 279 |
| Office supplies | 2,001 | 2,079 | - |
| Professional fees | - | 10,125 | - |
| Repairs and maintenance | 7,323 | 7,124 | 1,400 |
| Salaries and benefits | 161,728 | 121,286 | 166,781 |
| Special projects | 1,901 | 1,741 | - |
| Supplies | 1,717 | 1,317 | - |
| Travel | - | - | 1,300 |
| Utilities | 5,400 | 3,117 | 1,415 |
| | 187,529 | 152,388 | 179,810 |
| Surplus before transfers | 14,682 | 12,661 | 8,841 |
| Transfers | 25,994 | 3,564 | 9,371 |
| Surplus | 40,676 | 16,225 | 18,212 |

**The Ojibway Nation of Saugeen
Education**
Schedule 7 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 (Restated) |
|--|------------------------|----------------|----------------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 194,922 | 315,323 | 379,131 |
| Northern Nishnawbe Education Council | 696 | 2,088 | 2,088 |
| Rental income | - | 1,842 | - |
| First Nation Student Success Program | - | 28,000 | 39,900 |
| Repayment of funding | - | (27,500) | (9,700) |
| Deferred revenue - prior year | 37,287 | 37,287 | 21,246 |
| Deferred revenue - current year | - | (28,000) | (37,287) |
| Keewaytinook Internet High School | (6,768) | - | - |
| | 226,137 | 329,040 | 395,378 |
| Expenses | | | |
| Accommodation | - | 6,574 | 5,416 |
| Amortization | - | 20,176 | 26,442 |
| Bank charges and interest | 741 | 556 | 685 |
| Contracted services | 3,520 | 880 | - |
| Fuel | - | - | 1,354 |
| Graduation | 407 | - | 5,743 |
| Insurance | 1,944 | 1,944 | 6,552 |
| Miscellaneous | 1,319 | - | 3,343 |
| Office supplies | 6,200 | 4,185 | 241 |
| Professional fees | - | 15,000 | 17,100 |
| Repairs and maintenance | 21,428 | 3,388 | 2,397 |
| Salaries and benefits | 184,616 | 189,484 | 159,537 |
| Special education | - | - | 5,406 |
| Student expenses | 22,102 | - | - |
| Supplies | 53,487 | 19,349 | 5,593 |
| Training | 15,281 | 2,444 | - |
| Travel | 14,500 | 22,741 | 18,266 |
| Tuition | - | 14,593 | 14,481 |
| Utilities | 696 | - | - |
| | 326,241 | 301,314 | 272,556 |
| Surplus before transfers | (100,104) | 27,726 | 122,822 |
| Transfers | 20,957 | - | - |
| Surplus | (79,147) | 27,726 | 122,822 |

The Ojibway Nation of Saugeen
Health Services
Schedule 8 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|---------------------------------|------------------------|-----------------|-------------|
| Revenue | | | |
| First Nation and Inuit Health | 304,396 | 368,962 | 394,331 |
| Deferred revenue - prior year | - | 25,241 | 25,241 |
| Deferred revenue - current year | - | - | (25,241) |
| | 304,396 | 394,203 | 394,331 |
| Expenses | | | |
| Administration | 30,555 | 29,193 | 34,129 |
| Amortization | - | 32,682 | 32,682 |
| Bad debts | - | 15,161 | - |
| Bank charges and interest | 636 | 169 | - |
| Fuel | 21,116 | 7,133 | 18,716 |
| Health | 1,000 | - | - |
| Insurance | 12,222 | 10,472 | 9,088 |
| Miscellaneous | 16,083 | 4,697 | 11,192 |
| Office supplies | 3,428 | 2,580 | 499 |
| Professional fees | - | - | 10,500 |
| Program activities | 24,723 | 24,422 | 5,990 |
| Program expense | 1,084 | 560 | - |
| Renovations | - | 25,172 | - |
| Repairs and maintenance | 11,547 | 3,832 | 10,878 |
| Salaries and benefits | 241,788 | 252,257 | 292,149 |
| Supplies | 10,163 | 7,733 | 1,880 |
| Telephone | 4,105 | 3,755 | 4,105 |
| Training | 9,500 | 6,500 | - |
| Travel | 25,432 | 20,102 | 1,895 |
| Utilities | 10,887 | 8,803 | 4,764 |
| Vehicle | - | - | 8,047 |
| | 424,269 | 455,223 | 446,514 |
| Deficit before transfers | (119,873) | (61,020) | (52,183) |
| Transfers | 30,640 | 20,560 | 39,000 |
| Deficit | (89,233) | (40,460) | (13,183) |

The Ojibway Nation of Saugeen
Ontario First Nations Limited Partnership
Schedule 9 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|---|------------------------|------------------|-------------|
| Revenue | | | |
| Ontario First Nations Limited Partnership | 452,179 | 419,979 | 422,318 |
| Interest income | - | 18,548 | 17,145 |
| Deferred revenue - prior year | - | 2,678,896 | 2,525,008 |
| Deferred revenue - current year | - | (2,304,213) | (2,678,896) |
| | 452,179 | 813,210 | 285,575 |
| Expenses | | | |
| Community development | - | 127,255 | 222,075 |
| Health | - | 5,570 | - |
| | - | 132,825 | 222,075 |
| Surplus before transfers | 452,179 | 680,385 | 63,500 |
| Transfers | (68,292) | (452,179) | (63,500) |
| Surplus | 383,887 | 228,206 | - |

The Ojibway Nation of Saugeen
Operations & Maintenance
Schedule 10 - Consolidated Schedule of Segment Revenue and Expenses
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|--|------------------------|-----------------|-------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 105,100 | 105,100 | 102,811 |
| Rental income | 2,100 | - | - |
| | 107,200 | 105,100 | 102,811 |
| Expenses | | | |
| Amortization | - | 62,360 | 89,663 |
| Fuel | 13,327 | 8,375 | 2,620 |
| Furniture and equipment supplies | - | - | 800 |
| Insurance | 12,918 | 12,918 | - |
| Professional fees | - | - | 5,299 |
| Repairs and maintenance | 82,808 | 77,228 | 53,012 |
| Sundry | - | - | 28 |
| Supplies | - | - | 15,306 |
| Utilities | 40,197 | 35,196 | 40,083 |
| | 149,250 | 196,077 | 206,811 |
| Deficit before transfers | (42,050) | (90,977) | (104,000) |
| Transfers | 23,000 | 46,000 | 15,129 |
| Deficit | (19,050) | (44,977) | (88,871) |