
BLOODVEIN FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

BLOODVEIN FIRST NATION

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MARCH 31, 2014

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

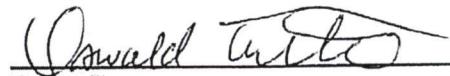
Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditors' report.

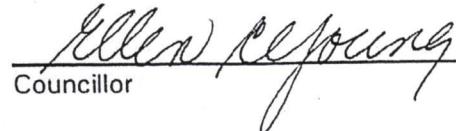
The external auditors, Collins Barrow HMA LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Bloodvein First Nation and meet when required.



Chief



Councillor



Councillor

Councillor

Councillor

Councillor

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INDEPENDENT AUDITORS' REPORT

To the Chief, Council and Membership
Bloodvein First Nation

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

Management's Responsibility for the 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.

Auditor's 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 of 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 auditor's 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 Bloodvein First Nation as at March 31, 2014, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.



CHARTERED ACCOUNTANTS

Winnipeg, Manitoba
September 16, 2014

BLOODVEIN FIRST NATION

STATEMENT 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2014

2013

(Restated)

FINANCIAL ASSETS

Cash	\$ 434,029	\$ 1,224,022
Restricted cash (Note 2)	260,462	156,210
Accounts receivable (Note 3)	2,210,475	2,716,424
Long term investments (Note 4)	<u>3,531,076</u>	<u>3,556,932</u>
Total financial assets	<u>6,436,042</u>	<u>7,653,588</u>

LIABILITIES

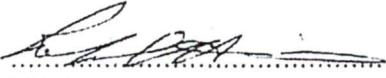
Accounts payable and accrued liabilities (Note 5)	411,172	651,877
Deferred revenue (Note 6)	9,726	9,845
Long term debt (Note 7)	<u>6,398,499</u>	<u>6,496,961</u>
Total liabilities	<u>6,819,397</u>	<u>7,158,683</u>
Net assets (debt)	<u>(383,355)</u>	<u>494,905</u>

NON-FINANCIAL ASSETS

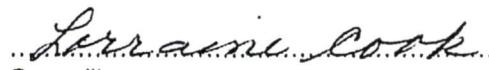
Tangible capital assets (Note 8)	20,870,503	21,812,346
Prepaid expenses	25,945	
Construction in progress (Note 9)	<u>50,000</u>	<u>46,250</u>
Total non-financial assets	<u>20,946,448</u>	<u>21,858,596</u>
Accumulated surplus	<u>\$ 20,563,093</u>	<u>\$ 22,353,501</u>

Contingent liabilities (Note 10)

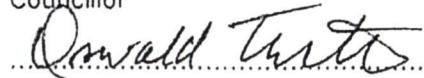
Approved on behalf of Council

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Chief

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Councillor

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Councillor Lorraine Cook

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Councillor

.....
Councillor Donald Tritts

.....
Councillor

BLOODVEIN FIRST NATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2014	2013
REVENUE			
Aboriginal Affairs and Northern Development Canada	\$ 5,384,855	\$ 5,375,366	\$ 5,400,197
First Nations and Inuit Health Branch	1,286,838	1,286,838	1,199,833
Canada Mortgage and Housing Corporation	325,000	313,012	196,995
Human Resources and Skills Development Canada	5,000	89,292	36,709
Canada Post	16,000	17,460	16,082
Band generated revenue	193,181	274,826	901,654
Casino capital distribution and grants	600,000	651,500	650,000
Community Economic Development Office	82,000	61,116	30,638
Construction income	390,000	470,232	628,613
Other revenue	222,722	400,996	674,522
Rental and user fees	<u>161,200</u>	<u>447,188</u>	<u>420,141</u>
	<u>8,666,796</u>	<u>9,387,826</u>	<u>10,155,384</u>
EXPENDITURES			
Administration	591,959	600,959	562,174
Band Generated	636,890	1,120,533	962,074
Capital	621,090	1,608,862	1,705,411
Economic Development	82,000	62,111	175,131
Education	1,788,948	2,095,859	2,253,228
Employment and Training	35,472	154,869	66,847
Health	1,381,144	1,426,946	1,369,242
Housing	427,100	420,662	407,381
Operations and Maintenance	979,100	1,369,516	1,395,590
Recreation		33,738	28,314
Social Assistance	<u>2,032,573</u>	<u>2,284,179</u>	<u>2,116,937</u>
	<u>8,576,276</u>	<u>11,178,234</u>	<u>11,042,329</u>
ANNUAL DEFICIT	90,520	(1,790,408)	(886,945)
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>22,353,501</u>	<u>22,353,501</u>	<u>23,349,183</u>
Prior period adjustment (<i>Note 15</i>)	<u>-</u>	<u>-</u>	<u>(108,737)</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 22,444,021</u>	<u>\$ 20,563,093</u>	<u>\$ 22,353,501</u>

BLOODVEIN FIRST NATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2014	2013 (Restated)
Annual deficit	\$ 90,520	\$(1,790,408)	\$(886,945)
Acquisition of tangible capital assets		(820,321)	(2,339,453)
Disposal of tangible capital assets			8,275
Amortization of tangible capital assets		1,762,164	1,632,944
Acquisition of construction in progress		(50,000)	(46,250)
Completion of construction in progress		46,250	
		938,093	(744,484)
Acquisition of supplies and inventories		(25,945)	
NET CHANGE IN DEBT FOR YEAR	90,520	(878,260)	(1,631,429)
NET ASSETS, <i>beginning of year</i>	494,905	494,905	2,235,071
Prior period adjustment (<i>Note 15</i>)			(108,737)
NET ASSETS (DEBT), <i>end of year</i>	\$ 585,425	\$(383,355)	\$ 494,905

BLOODVEIN FIRST NATION

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2014	2013
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CASH FLOW FROM

OPERATING ACTIVITIES

Cash receipts from A.A.N.D.C.	\$ 5,710,646	\$ 5,064,917
Cash received from other funding sources	4,183,129	4,995,582
Cash paid to suppliers and employees	<u>(9,656,983)</u>	<u>(9,688,253)</u>
	<u>236,792</u>	<u>372,246</u>

CAPITAL ACTIVITIES

Purchase of capital assets	<u>(824,071)</u>	<u>(2,339,453)</u>
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FINANCING ACTIVITIES

Proceeds from long term debt	463,299	1,711,047
Repayment of long term debt	<u>(561,761)</u>	<u>(228,801)</u>
	<u>(98,462)</u>	<u>1,482,246</u>
NET DECREASE IN CASH DURING YEAR	<u>(685,741)</u>	<u>(484,961)</u>
CASH, <i>beginning of year</i>	<u>1,380,232</u>	<u>1,865,193</u>
CASH, <i>end of year</i>	<u>\$ 694,491</u>	<u>\$ 1,380,232</u>

CASH COMPRISED OF

Cash	\$ 434,029	\$ 1,224,022
Restricted cash	<u>260,462</u>	<u>156,210</u>
	<u>\$ 694,491</u>	<u>\$ 1,380,232</u>

BLOODVEIN FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for government entities as defined by the Canadian Institute of Chartered Accountants Public Sector Accounting Handbook, which encompasses the following principles:

REPORTING ENTITY

The Bloodvein First Nation ("B.F.N.") reporting entity includes the Bloodvein 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 summary financial statements combine the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to combination:

B.F.N. Programs:

- Bloodvein First Nation
- Bloodvein First Nation Health Services
- Bloodvein First Nation CMHC Housing Authority

Incorporated and unincorporated business entities which are owned and controlled by the First Nation but 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:

- Bloodvein First Nation Construction Inc.

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.

Long term investments in enterprises that do not form part of the First Nation reporting entity are accounted for using the cost method.

ASSET CLASSIFICATION

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, prepaid expenses and inventories of supplies.

NET DEBT

The First Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its liabilities less its financial assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2014****1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*****TANGIBLE CAPITAL ASSETS**

Tangible capital assets are stated at cost and recorded in tangible capital assets. Social housing assets acquired under Canada Mortgage and Housing Corporation ("C.M.H.C.") sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long-term debt. Amortization for other tangible capital assets is provided using the straight-line method at the following annual rates;

Environmental Infrastructure	2.50%
Equipment	10 - 33%
Facilities	2.50 - 5%
Transportation Infrastructure	2.50%
Vehicles	20%

Amortization is computed at one-half of the annual amortization in the year of acquisition.

REVENUErecognition

B.F.N. operates under an Aboriginal Recipient Funding Arrangement ("ARFA") with Aboriginal Affairs and Northern Development Canada ("A.A.N.D.C."), a Health Services Transfer/Set Agreement with First Nations and Inuit Health Branch ("F.N.I.H.B.") and various Contribution Arrangements/Agreements with A.A.N.D.C. and F.N.I.H.B.

(a) ARFA Arrangement:

Funds for operating programs are recognized as revenue when paid in accordance with the terms of the agreement.

Funds provided for the acquisition of capital assets are recognized as revenue when capital assets are acquired or upon completion of the capital project. Unexpended capital funds received are recorded as deferred revenue which must be spent for capital purposes in future years.

(b) Health Services Transfer/Set Agreement:

Funds for operating programs are recognized as revenue when paid in accordance with the terms of the agreement.

SEGMENTS

B.F.N. conducts its business through number of reportable segments. These operating segments are established by senior management to facilitate the achievement of B.F.N.'s long-term objectives to aid in resource allocation decisions, and to assess operational performance.

USE OF ESTIMATES

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of capital assets. Actual results could differ from these estimates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2014****1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)******FINANCIAL INSTRUMENTS***

Financial instruments include cash, accounts receivable, accounts payable and accrued liabilities, mortgage advances and long-term debt. Unless otherwise stated, it is management's opinion that B.F.N. is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of B.F.N.'s financial assets and liabilities approximates their fair value.

FAIR VALUE

Due to the short term nature of all financial instruments other than long term debt, the carrying value as presented in the consolidated financial statements are reasonable estimates of fair value. Management has estimated fair value by reference to established financial markets. As is true for all estimates, actual fair value could differ from this estimate, and if so, any difference would be accounted for in the period in which it becomes known. For long term debt it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability because the instruments are not traded in an organized financial market.

2. RESTRICTED CASH***C.M.H.C. REPLACEMENT RESERVE***

Under the terms of the operating agreements with C.M.H.C., the Replacement Reserve is to be credited with an annual allocation of \$50,783 pro-rated for the portion of the year in which the various housing projects were available for use. These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by C.M.H.C. from time to time. The funds in the account may only be used as approved by C.M.H.C. Expenditures are charged to accumulated interest first and then to principal. As of March 31, 2014 the C.M.H.C. Replacement Reserve has an accumulated balance of \$301,806 of which there is a separate bank account with a balance of \$245,671 and the remaining \$56,135 is unfunded and due from operating.

A.A.N.D.C. TRUST

Capital trust monies are derived from non-renewable resource transactions on the sale of lands or other band capital assets. Capital trust monies are expended on the authorization of the Minister, with the consent of the B.F.N. Council. Revenue trust monies are generated primarily through land-leasing transactions or interest earned on deposits in the Consolidated Revenue fund of the Government of Canada. Revenue trust monies are, in most cases, managed and expended under the provisions of the Indian Act.

	2 0 1 4	2 0 1 3
C.M.H.C. Replacement Reserve	\$ 245,671	\$ 142,614
A.A.N.D.C. Trust	<u>14,791</u>	<u>13,596</u>
	<u><u>\$ 260,462</u></u>	<u><u>\$ 156,210</u></u>

BLOODVEIN FIRST NATION

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

3. ACCOUNTS RECEIVABLE

	2 0 1 4	2 0 1 3
A.A.N.D.C.		
Fire truck	\$ 29,050	
Mold remediation	36,750	
Response	78,267	
School gym lights	8,410	
Special education	2,500	
Wastewater	117,716	
Wastewater - cleaning	15,000	
Water	47,587	
BNF Construction Inc.	1,555,381	2,001,763
Canada Post	2,680	1,340
Employee advances	3,180	1,767
First Nations and Inuit Health Branch		7,749
Goods and services taxes receivable	17,984	16,845
C.M.H.C.	137,214	
Norwin Construction Ltd.	124,500	89,194
Other	<u>369,536</u>	<u>262,486</u>
	<u>\$ 2,210,475</u>	<u>\$ 2,716,424</u>

4. LONG TERM INVESTMENTS

	2 0 1 4	2 0 1 3
Shawano Consulting	\$ 37,720	\$ 37,720
South Beach Casino Partnership	<u>3,493,356</u>	<u>3,519,212</u>
	<u>\$ 3,531,076</u>	<u>\$ 3,556,932</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 1 4	2 0 1 3
A.A.N.D.C.		
Social recoveries	\$ 108,737	\$ 156,180
Accrued liabilities	182,255	228,944
Trade and other	<u>120,180</u>	<u>266,753</u>
	<u>\$ 411,172</u>	<u>\$ 651,877</u>

6. DEFERRED REVENUE

	2 0 1 4	2 0 1 3
Water Treatment Plant	<u>\$ 9,726</u>	<u>\$ 9,845</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

7. LONG TERM DEBT

	2 0 1 4	2 0 1 3
CMHC mortgage, 1.64%, repayable in monthly installments of \$3,332 (P&I), due February 2017.	\$ 446,318	\$ 478,721
CMHC mortgage, 1.71%, repayable in monthly installments of \$1,945 (P&I), due September 2017.	370,152	387,031
CMHC mortgage, 1.67%, repayable in monthly installments of \$2,966 (P&I), due June 2018.	583,658	608,030
CMHC mortgage, 2.86%, repayable in monthly installments of \$2,755 (P&I), due August 2014.	509,609	527,890
CMHC mortgage, 2.37%, repayable in monthly installments of \$3,393 (P&I), due June 2016.	704,575	728,368
CMHC mortgage, 1.80%, repayable in monthly installments of \$2,417 (P&I), due October 2016.	537,637	556,807
CMHC mortgage, 1.60%, repayable in monthly installments of \$3,312 (P&I), due January 2018.	787,452	814,402
CMHC mortgage advances payable, repayable based on the mortgage terms to be determined at the interest adjustment date.	137,214	
First Nations Bank of Canada loan, prime plus 2%, repayable in monthly principal installments of \$4,031 plus interest, due August 2015.	68,531	116,906
First Nations Bank of Canada loan advances, prime plus 2.25%, repayable in monthly installments of interest only and annual installments of \$233,360, due December 2016.	682,205	789,779
First Nations Bank of Canada loan, floating rate of prime plus 1.5%, repayable in monthly principal installments of \$1,642, due December 2015.	34,490	54,199
First Nations Bank of Canada loan, 4.25%, repayable in monthly installments of \$5,355 (P&I), due December 2014.	736,738	768,934
First Nations Bank of Canada loan, 4.55%, repayable in monthly installments of \$2,160 (P&I), due September 2014.	346,221	356,311
First Nations Bank of Canada loan, 4.55%, repayable in monthly installments of \$1,596 (P&I), due September 2014.	255,876	263,333
First Nations Bank of Canada loan advances, prime plus 2%.		46,250
First Nations Bank of Canada loan, 4.73%, repayable in monthly installments of \$919 (P&I), due September 2018.	139,973	
First Nations Bank of Canada loan, floating rate of prime plus 1.5%, repayable in monthly principal installments of \$1,607, due March 2017.	57,850	
	<u>\$ 6,398,499</u>	<u>\$ 6,496,961</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2014****7. LONG TERM DEBT *(continued)***

Loans payable to Canada Mortgage and Housing Corporation are secured by the specific assets financed and a ministerial guarantee by the Government of Canada.

Loans payable to First Nations Bank of Canada are secured by a general security agreement, the specific assets financed and various Band Council Resolutions authorizing the assignment of certain incoming funding for debt repayment purposes.

The estimated annual principal payments required in each of the next five years to meet retirement provisions are as follows:

March 31, 2015	\$ 681,063
2016	516,440
2017	469,540
2018	240,837
2019	247,107

BLOODVEIN FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

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8. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization			Net Book Value	
		Opening Balance	Disposals, Write-offs & Adjustments	Closing Balance		
CMHC Housing	\$ 5,001,243	\$ 5,001,243		\$ 541,008	\$ 702,857	\$ 4,298,386
Environmental Infrastructure	5,671,502	5,671,502	3,543,566	109,439	3,653,005	2,018,497
Equipment	306,758	10,442	275,837	9,022	284,859	32,341
Facilities	40,726,026	268,235	40,994,261	26,858,306	1,222,400	12,913,555
Land	110,000		110,000			110,000
Transportation Infrastructure	1,643,987	377,286	2,021,273	1,149,614	45,816	825,843
Vehicles	<u>2,179,469</u>	<u>164,358</u>	<u>2,343,827</u>	<u>1,458,308</u>	<u>213,638</u>	<u>671,881</u>
	<u>\$ 55,638,985</u>	<u>\$ 820,321</u>	<u>\$ 56,459,306</u>	<u>\$ 33,826,639</u>	<u>\$ 1,762,164</u>	<u>\$ 20,870,503</u>
						\$ 21,812,346
9. CONSTRUCTION IN PROGRESS						
						2013
Temporary Classrooms					\$ 50,000	
Child and Family Services Building					<u>-\$</u>	<u>46,250</u>
					<u>\$ 50,000</u>	<u>\$ 46,250</u>

BLOODVEIN FIRST NATION

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2014

10. CONTINGENT LIABILITIES

B.F.N. is subject to recalled funding according to their agreements with A.A.N.D.C. and F.N.I.H.B. As at the audit report date, it was not yet determined to what extent any funding amounts related to the year ending March 31, 2014 might be recalled by these funding agencies, nor was the likelihood of such recoveries easily determinable. As a result, where recoveries are confirmed and the amount determined a payable with respect to the year ending March 31, 2014 have been recorded.

11. RECONCILIATION OF ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA REVENUE

	2 0 1 4	2 0 1 3
Per A.A.N.D.C. confirmation March 31	\$ 5,380,013	\$ 5,404,574
Plus: Revenue deferred from previous year		
Road Upgrade	822	
Water Treatment Plant	9,845	9,965
Less: Revenue deferred to subsequent year		
Water Treatment Plant	(9,726)	(9,845)
Less: A.A.N.D.C. Recoveries		
Skills Link	(4,766)	
Special Needs		(2,207)
In-Home Care	- <hr/>	(3,112)
TOTAL A.A.N.D.C. REVENUE PER FINANCIAL STATEMENTS	\$ 5,375,366	\$ 5,400,197

12. ECONOMIC DEPENDENCE

B.F.N. receives a significant portion of its revenue from A.A.N.D.C. as a result of treaties entered into with the Government of Canada. These treaties are administered by A.A.N.D.C. under the terms and conditions of the Indian Act. The ability of B.F.N. to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

13. BUDGET

The budgeted figures in these consolidated financial statements are unaudited.

14. COMPARATIVE FIGURES

Certain prior year comparative amounts have been reclassified where necessary to conform to the current year's presentation.

15. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to record an accounts payable to A.A.N.D.C. for social amounts owing up to 2000/2001 of \$108,737 which was previously unrecorded. As a result of this adjustment the accounts payable in the prior year was increased by \$108,737 and accumulated surplus was decreased by the same amount to offset this adjustment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2014****16. EXPENDITURES BY OBJECT**

The following is a summary of expenditures by object:

	2 0 1 4	2 0 1 3
Amortization	\$ 1,762,164	\$ 1,632,944
Equipment and supplies	479,760	474,775
Insurance	195,673	139,028
Interest and bank charges	202,594	191,298
Other	1,642,294	1,834,300
Professional fees	137,802	102,395
Repairs and maintenance	862,397	981,110
Salaries and benefits	3,231,550	3,159,674
Social assistance	2,133,594	1,991,581
Training and workshops	119,294	117,175
Travel	279,140	263,939
Utilities	<u>131,972</u>	<u>154,110</u>
	<u><u>\$ 11,178,234</u></u>	<u><u>\$ 11,042,329</u></u>

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17. SEGMENT DISCLOSURE

Bloodvein First Nation provides a range of services to its members. For management reporting purposes, operations and activities are reported by department. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:

	Administration <u>2014</u>	Administration <u>2013</u>	Economic Development <u>2014</u>	Economic Development <u>2013</u>	Social Assistance <u>2014</u>	Social Assistance <u>2013</u>	Education <u>2014</u>	Education <u>2013</u>
Revenues								
Federal Government	\$ 483,990	\$ 464,177	\$ 36,709	\$ -	\$ 2,163,455	\$ 2,054,825	\$ 1,650,098	\$ 1,748,136
AANDC								
HRSDC								
Subtotal	483,990	500,886			2,163,455	2,054,825	1,650,098	1,748,136
Other revenue	<u>82,584</u>	<u>83,316</u>	<u>61,116</u>	<u>30,638</u>	<u>-</u>	<u>-</u>	<u>52,490</u>	<u>52,955</u>
Total revenue	566,574	584,202	61,116	30,638	2,163,455	2,054,825	1,702,588	1,801,091
Expenses								
Amortization							340,306	329,863
Debt servicing	262,807	283,229	62,111	175,131	2,150,116	2,011,398	11,682	10,205
Other	<u>338,152</u>	<u>278,945</u>	<u>-</u>	<u>134,063</u>	<u>105,539</u>	<u>419,668</u>	<u>583,157</u>	<u>1,324,203</u>
Salaries and benefits								
Total expenses	600,959	562,174	62,111	175,131	2,284,179	2,116,937	2,095,859	2,253,228
Surplus (Deficit)	<u>\$ (34,385)</u>	<u>\$ 22,028</u>	<u>\$ (995)</u>	<u>\$ (144,493)</u>	<u>\$ (120,724)</u>	<u>\$ (62,112)</u>	<u>\$ (393,271)</u>	<u>\$ (452,137)</u>

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17. SEGMENT DISCLOSURE (continued)

	Operations and Maintenance <u>2014</u>	Operations and Maintenance <u>2013</u>	Employment and Training <u>2014</u>	Employment and Training <u>2013</u>	Health <u>2014</u>	Health <u>2013</u>	Capital <u>2014</u>	Capital <u>2013</u>
Revenues								
Federal Government								
AANDC	\$ 548,427	\$ 609,460	\$ 49,187	\$ 52,857	\$ 14,000	\$ 14,000	\$ 466,209	\$ 456,742
FNIB								
CMHC								
HRSDC								
Subtotal								
422,384	548,427	609,460	138,479	52,857	1,300,838	1,213,833	561,209	462,092
Other revenue								
	696,098	32,182	5,715	106,646	76,762	203,114	348,115	
Total revenue								
	<u>970,811</u>	<u>1,305,558</u>	<u>170,661</u>	<u>58,572</u>	<u>1,407,484</u>	<u>1,290,595</u>	<u>764,323</u>	<u>810,207</u>
Expenses								
Amortization								
Debt servicing	318,992	274,347			21,205	18,195	919,812	882,811
Other	578,883	552,179	86,799	36,105	598,283	563,193	102,973	50,658
Salaries and benefits	471,641	569,064	68,070	30,742	807,458	787,854	586,077	771,942
Total expenses								
	<u>1,369,516</u>	<u>1,395,590</u>	<u>154,869</u>	<u>66,847</u>	<u>1,426,946</u>	<u>1,369,242</u>	<u>1,608,862</u>	<u>1,705,411</u>
Surplus (Deficit)								
	<u>\$(398,705)</u>	<u>\$(90,032)</u>	<u>\$ 15,792</u>	<u>\$(8,275)</u>	<u>\$(19,462)</u>	<u>\$(78,647)</u>	<u>\$(844,539)</u>	<u>\$(895,204)</u>

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17. SEGMENT DISCLOSURE (*continued*)