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BLOODVEIN FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

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# BLOODVEIN FIRST NATION

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MARCH 31, 2016

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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.

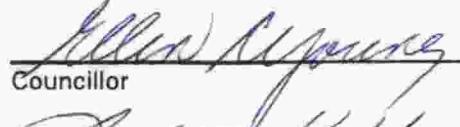
The external auditors, Collins Barrow HMA LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Bloodvein First Nation and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



Chief

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Councillor



Councillor

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Councillor



Councillor

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Councillor

## 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 consolidated statement of financial position as at March 31, 2016, and the consolidated 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.

### **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 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 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 Bloodvein First Nation as at March 31, 2016, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Collins Barrow HMA LLP**  
Chartered Professional Accountants

Winnipeg, Manitoba

October 12, 2016

# BLOODVEIN FIRST NATION

STATEMENT 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

	2016	2015
<b>FINANCIAL ASSETS</b>		
Cash	\$ 464,676	\$ 438,120
Restricted cash (Note 2)	54,705	261,764
Accounts receivable (Note 3)	1,435,315	1,126,585
Long term investments (Note 4)	<u>3,434,292</u>	<u>3,398,076</u>
Total financial assets	<u>5,388,988</u>	<u>5,224,545</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	1,386,288	589,766
Deferred revenue (Note 6)	80,315	6,412
Long term debt (Note 7)	<u>7,365,351</u>	<u>6,417,689</u>
Total liabilities	<u>8,831,954</u>	<u>7,013,867</u>
Net debt	<u>( 3,442,966)</u>	<u>( 1,789,322)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 8)	20,229,386	20,179,887
Prepaid expenses	23,999	20,752
Construction in progress (Note 9)	<u>799,540</u>	-
Total non-financial assets	<u>21,052,925</u>	<u>20,200,639</u>
Accumulated surplus	<u>\$ 17,609,959</u>	<u>\$ 18,411,317</u>
Contingent liabilities (Note 10)		

Approved on behalf of Council

  
Chief  
  
Councillor  
  
Councillor

.....  
Councillor  
.....  
Councillor  
.....  
Councillor

# BLOODVEIN FIRST NATION

STATEMENT 2

## CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2016	2015
<b>REVENUE</b>			
Indigenous and Northern Affairs Canada	\$ 6,334,447	\$ 6,184,694	\$ 6,172,572
First Nations and Inuit Health	1,236,055	1,257,640	1,311,908
Canada Mortgage and Housing Corporation	434,173	290,487	300,173
Canada Post	16,082	16,082	16,082
Band generated revenue	85,000	315,694	242,736
Casino capital distribution and grants	650,000	650,000	670,000
Community Economic Development Office	82,000	108,231	82,000
Construction income		154,858	307,039
Other revenue	184,396	1,141,082	485,500
Rental and user fees	<u>445,502</u>	<u>1,144,743</u>	<u>348,091</u>
	<u>9,467,655</u>	<u>11,263,511</u>	<u>9,936,101</u>
<b>EXPENDITURES</b>			
Administration	611,122	670,511	637,266
Band Generated	734,140	1,276,529	1,718,980
Capital	1,402,040	2,144,612	1,699,793
Economic Development	82,000	78,795	25,460
Education	1,759,339	2,108,962	2,138,948
Employment and Training		185,588	104,438
Health	1,381,980	1,526,873	1,461,262
Housing	522,010	448,938	429,640
Operations and Maintenance	566,055	1,310,524	1,423,539
Recreation			8,391
Social Assistance	<u>2,246,555</u>	<u>2,313,537</u>	<u>2,440,160</u>
	<u>9,305,241</u>	<u>12,064,869</u>	<u>12,087,877</u>
ANNUAL DEFICIT	162,414	( 801,358)	( 2,151,776)
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>18,411,317</u>	<u>18,411,317</u>	<u>20,563,093</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 18,573,731</u>	<u>\$ 17,609,959</u>	<u>\$ 18,411,317</u>

# BLOODVEIN FIRST NATION

STATEMENT 3

## CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2016	2015
Annual deficit	\$ 162,414	\$( 801,358)	\$( 2,151,776)
Acquisition of tangible capital assets		( 1,782,664)	( 1,234,716)
Amortization of tangible capital assets		1,733,165	1,925,332
Acquisition of construction in progress		( 799,540)	
Completion of construction in progress	—	—	50,000
	—	( 849,039)	740,616
Acquisition of supplies and inventories		( 23,999)	( 20,752)
Use of prepaid expenses	—	20,752	25,945
	—	( 3,247)	5,193
CHANGE IN NET DEBT FOR YEAR	162,414	( 1,653,644)	( 1,405,967)
NET DEBT, <i>beginning of year</i>	( 1,789,322)	( 1,789,322)	( 383,355)
NET DEBT, <i>end of year</i>	\$( 1,626,908)	\$( 3,442,966)	\$( 1,789,322)

# BLOODVEIN FIRST NATION

STATEMENT 4

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2016	2015
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### CASH FLOW FROM

#### *OPERATING ACTIVITIES*

Cash receipts from I.N.A.C.	\$ 6,206,494	\$ 6,150,772
Cash received from other funding sources	4,748,287	4,869,219
Cash paid to suppliers and employees	<u>( 9,500,742)</u>	<u>( 9,849,072)</u>
	<u>1,454,039</u>	<u>1,170,919</u>

#### *CAPITAL ACTIVITIES*

Purchase of capital assets	<u>( 2,582,204)</u>	<u>( 1,184,716)</u>
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#### *FINANCING ACTIVITIES*

Proceeds from long term debt	1,649,810	651,790
Repayment of long term debt	<u>( 702,148)</u>	<u>( 632,600)</u>
	<u>947,662</u>	<u>19,190</u>

#### NET INCREASE (DECREASE) IN CASH DURING YEAR

( 180,503) 5,393

#### CASH, *beginning of year*

699,884 694,491

#### CASH, *end of year*

\$ 519,381 \$ 699,884

### CASH COMPRISED OF

Cash	\$ 464,676	\$ 438,120
Restricted cash	<u>54,705</u>	<u>261,764</u>
	<u>\$ 519,381</u>	<u>\$ 699,884</u>

# BLOODVEIN FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

### 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *BASIS OF PRESENTATION*

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments, as defined by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

#### *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.
- South Beach Casino Limited Partnership

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

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. Net debt is comprised of two components, non-financial assets and accumulated surplus.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2016****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***

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulations are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service performed is deferred and recognized when the fee is earned or service performed.

***SEGMENTS***

B.F.N. conducts its business through a 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.

***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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***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 \$55,583 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, 2016, the C.M.H.C. Replacement Reserve has an accumulated balance of \$360,001 of which there is a separate bank account with a balance of \$37,279 leaving a remaining of \$322,722 unfunded and due from operating.

**I.N.A.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 6	2 0 1 5
C.M.H.C. Replacement Reserve	\$ 37,279	\$ 245,536
I.N.A.C. Trust	<u>17,426</u>	<u>16,228</u>
	<u><u>\$ 54,705</u></u>	<u><u>\$ 261,764</u></u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

## 3. ACCOUNTS RECEIVABLE

	2 0 1 6	2 0 1 5
I.N.A.C.		
Water > \$1.5M		21,800
BNF Construction Inc.	1,118,944	820,473
Canada Post	1,340	1,340
Employee advances	7,295	7,998
First Nations and Inuit Health Branch	10,300	62,409
Goods and services taxes receivable	1,675	12,284
C.M.H.C.	5,110	
SERDC - Pathways	105,666	
Norwin Construction Ltd.	20,175	45,653
Other	<u>164,810</u>	<u>154,628</u>
	<u><u>\$ 1,435,315</u></u>	<u><u>\$ 1,126,585</u></u>

## 4. LONG TERM INVESTMENTS

	2 0 1 6	2 0 1 5
South Beach Casino Partnership	<u><u>\$ 3,434,292</u></u>	<u><u>\$ 3,398,076</u></u>

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 1 6	2 0 1 5
I.N.A.C.		
Basic Needs	\$ 273,344	\$ 108,737
Capacity Development	4,772	
In-Home Care	15,275	
Special Needs	4,210	
Student Transportation	30,117	
Funds received in error	192,361	
Accrued liabilities	201,548	148,722
Trade and other	<u>664,661</u>	<u>332,307</u>
	<u><u>\$ 1,386,288</u></u>	<u><u>\$ 589,766</u></u>

## 6. DEFERRED REVENUE

	2 0 1 6	2 0 1 5
I.N.A.C.	\$	\$
Capital Road Repairs	26,092	
Water Treatment Plant		6,412
SERDC - Pathways	<u>54,223</u>	<u>-</u>
	<u><u>\$ 80,315</u></u>	<u><u>\$ 6,412</u></u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

## 7. LONG TERM DEBT

	2 0 1 6	2 0 1 5
CMHC mortgage, 1.64%, repayable in monthly installments of \$3,332 (P&I), due February 2017.	\$ 379,917	\$ 413,382
CMHC mortgage, 1.71%, repayable in monthly installments of \$1,945 (P&I), due September 2017.	335,532	352,983
CMHC mortgage, 1.67%, repayable in monthly installments of \$2,966 (P&I), due June 2018.	531,098	557,587
CMHC mortgage, 1.85%, repayable in monthly installments of \$2,510 (P&I), due August 2019.	468,357	489,616
CMHC mortgage, 2.37%, repayable in monthly installments of \$3,393 (P&I), due June 2016.	655,310	680,215
CMHC mortgage, 1.80%, repayable in monthly installments of \$2,417 (P&I), due October 2016.	498,270	518,120
CMHC mortgage, 1.60%, repayable in monthly installments of \$3,312 (P&I), due January 2018.	732,272	760,069
CMHC mortgage, 1.77%, repayable in monthly installments of \$2,264 (P&I), due November 2019.	526,397	545,480
CMHC mortgage, 1.30%, repayable in monthly installments of \$1,531 (P&I), due December 2020.	388,892	
CMHC mortgage advances payable for 5 unit project, repayable based on the mortgage terms to be determined at the interest adjustment date.	848,721	
Caterpillar Financial Services Limited financing payable, interest at 5.95%, repayable in monthly installments of \$5,621 (P&I), due February 2020, secured by assignment of title.	235,131	
First Nations Bank of Canada loan, 4.30%, repayable in monthly installments of interest only and annual installments of \$23,326, due December 2019.	93,302	
First Nations Bank of Canada loan, prime plus 2%, repayable in monthly principal installments of \$4,031 plus interest, due August 2015.		20,156
First Nations Bank of Canada loan, 4.70%, repayable in monthly installments of interest only and annual installments of \$233,360, due December 2016.	215,485	448,845
First Nations Bank of Canada loan, floating rate of prime plus 1.5%, repayable in monthly principal installments of \$1,642, due December 2015.		14,781
First Nations Bank of Canada loan, 4.07%, repayable in monthly installments of \$5,291 (P&I), due December 2019.	667,575	703,027

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

7. LONG TERM DEBT *(continued)*

	2 0 1 6	2 0 1 5
First Nations Bank of Canada loan, 3.16%, repayable in monthly installments of \$1,921 (P&I), due September 2019.	322,421	335,108
First Nations Bank of Canada loan, 3.16%, repayable in monthly installments of \$1,420 (P&I), due September 2019.	238,286	247,663
First Nations Bank of Canada loan, 4.30%, repayable in monthly installments of interest only and annual installments of \$78,300, due December 2016.	78,300	156,600
First Nations Bank of Canada loan, 4.73%, repayable in monthly installments of \$919 (P&I), due September 2018.	130,764	135,468
First Nations Bank of Canada loan, 4.30%, repayable in monthly principal installments of \$1,607, due March 2017.	<u>19,321</u>	<u>38,589</u>
	<u><u>\$ 7,365,351</u></u>	<u><u>\$ 6,417,689</u></u>

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, 2017	\$ 692,790
2018	389,606
2019	399,903
2020	404,945
2021	328,702

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

## 8. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Disposals, Write-offs & Adjustments	Closing Balance	Opening Balance	Amortization	Closing Balance	Total	Total
								2 0 1 6	2 0 1 5
CMHC Housing	\$ 5,545,519	\$ 472,822	\$	\$ 6,018,341	\$ 871,911	\$ 193,341	\$ 1,065,252	\$ 4,953,089	\$ 4,673,608
Environmental									
Infrastructure	5,671,502			5,671,502	3,762,444	109,438	3,871,882	1,799,620	1,909,058
Equipment	317,200			317,200	293,881	7,095	300,976	16,224	23,319
Facilities	41,229,161			41,229,161	29,312,748	1,087,661	30,400,409	10,828,752	11,916,413
Land	565,540	1,017,842		1,583,382	125,170	64,233	189,403	1,393,979	440,370
Transportation									
Infrastructure	2,021,273			2,021,273	1,245,961	50,532	1,296,493	724,780	775,312
Vehicles	2,343,827	292,000	-	2,635,827	1,902,020	220,865	2,122,885	512,942	441,807
	\$ 57,694,022	\$ 1,782,664	\$ -	\$ 59,476,686	\$ 37,514,135	\$ 1,733,165	\$ 39,247,300	\$ 20,229,386	\$ 20,179,887

## 9. CONSTRUCTION IN PROGRESS

2 0 1 6

2 0 1 5

Five-unit CMHC housing project

\$ 799,540 \$ -

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2016****10. CONTINGENT LIABILITIES**

(a) The First Nation receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs. In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their agreements. At this time no estimate of the requirements, if any, to reimburse the agencies can be made. If any amounts become repayable, they will be accounted for in the year of determination.

(b) Bloodvein First Nation is contingently liable as guarantor of loans for BFN Construction Inc. in the aggregate amount \$930,738 (2015 - \$2,029,573).

**11. RECONCILIATION OF INDIGENOUS AND NORTHERN AFFAIRS CANADA REVENUE**

	2 0 1 6	2 0 1 5
Per I.N.A.C. confirmation March 31	\$ 6,423,355	\$ 6,169,258
Plus: Revenue deferred from previous year		
Water Treatment Plant	6,412	9,726
Less: Revenue deferred to subsequent year		
Capital Road Repairs	( 26,092)	
Water Treatment Plant		( 6,412)
Less: I.N.A.C. Recoveries		
Basic Needs	( 164,607)	
Capacity Development	( 4,772)	
In-Home Care	( 15,275)	
Special Needs	( 4,210)	
Student Transportation	( 30,117)	-
<b>TOTAL I.N.A.C. REVENUE PER FINANCIAL STATEMENTS</b>	<b>\$ 6,184,694</b>	<b>\$ 6,172,572</b>

**12. ECONOMIC DEPENDENCE**

B.F.N. receives a significant portion of its revenue from I.N.A.C. as a result of treaties entered into with the Government of Canada. These treaties are administered by I.N.A.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. EXPENDITURES BY OBJECT**

The following is a summary of expenditures by object:

	<b>2 0 1 6</b>	<b>2 0 1 5</b>
Amortization	\$ 1,733,165	\$ 1,925,332
Equipment and supplies	305,581	538,127
Insurance	281,109	252,022
Interest and bank charges	214,444	188,357
Other	1,634,182	2,504,925
Professional fees	180,695	140,678
Repairs and maintenance	1,694,471	625,060
Salaries and benefits	3,320,563	3,091,045
Social assistance	2,172,116	2,320,340
Training and workshops	103,104	131,546
Travel	248,617	213,335
Utilities	<u>176,822</u>	<u>157,110</u>
	<b><u>\$ 12,064,869</u></b>	<b><u>\$ 12,087,877</u></b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2016**

### 16. 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		Economic Development		Social Assistance		Education	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Revenues</b>								
Federal Government								
I.N.A.C.	\$ 496,381	\$ 487,947	\$ -	\$ -	\$ 2,062,453	\$ 2,584,657	\$ 1,658,769	\$ 1,630,749
Subtotal	496,381	487,947			2,062,453	2,584,657	1,658,769	1,630,749
Other revenue	62,701	89,070	108,231	82,000	-	-	57,997	62,660
<b>Total revenue</b>	<b>559,082</b>	<b>577,017</b>	<b>108,231</b>	<b>82,000</b>	<b>2,062,453</b>	<b>2,584,657</b>	<b>1,716,766</b>	<b>1,693,409</b>
<b>Expenses</b>								
Amortization							326,860	343,242
Debt servicing							22,892	14,707
Other	296,461	380,806	78,795	25,460	2,186,475	2,336,012	440,834	508,737
Salaries and benefits	374,050	256,460	-	-	127,062	104,148	1,318,376	1,272,262
<b>Total expenses</b>	<b>670,511</b>	<b>637,266</b>	<b>78,795</b>	<b>25,460</b>	<b>2,313,537</b>	<b>2,440,160</b>	<b>2,108,962</b>	<b>2,138,948</b>
<b>Surplus (Deficit)</b>	<b>\$( 111,429)</b>	<b>\$( 60,249)</b>	<b>\$ 29,436</b>	<b>\$ 56,540</b>	<b>\$( 251,084)</b>	<b>\$ 144,497</b>	<b>\$( 392,196)</b>	<b>\$( 445,539)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2016**

### 16. SEGMENT DISCLOSURE *(continued)*

	Operations and Maintenance		Employment and Training		Health	2015	Capital	
	2016	2015	2016	2015			2016	2015
<b>Revenues</b>								
Federal Government								
I.N.A.C.	\$ 553,496	\$ 568,770	\$ 53,325	\$ 52,995	\$ 14,000	\$ 14,000	\$ 1,346,270	\$ 833,454
FNIH					1,257,640	1,311,908		
CMHC							47,500	79,822
Subtotal	553,496	568,770	53,325	52,995	1,271,640	1,325,908	1,393,770	913,276
Other revenue	178,231	411,881	131,030	46,073	116,722	119,341	959,644	250,106
Total revenue	731,727	980,651	184,355	99,068	1,388,362	1,445,249	2,353,414	1,163,382
<b>Expenses</b>								
Amortization	333,392	322,492			31,423	34,141	848,149	1,056,403
Debt servicing							82,106	86,671
Other	584,191	593,723	20,980	20,750	604,710	603,030	1,199,105	556,719
Salaries and benefits	392,941	507,324	164,608	83,688	890,740	824,091	15,252	-
Total expenses	1,310,524	1,423,539	185,588	104,438	1,526,873	1,461,262	2,144,612	1,699,793
Surplus (Deficit)	\$( 578,797)	\$( 442,888)	\$( 1,233)	\$( 5,370)	\$( 138,511)	\$( 16,013)	\$( 208,802)	\$( 536,411)

## **BLOODVEIN FIRST NATION**

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

16. SEGMENT DISCLOSURE *(continued)*

	Housing		Recreation		Band Generated		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Revenues</b>								
Federal Government								
I.N.A.C.	\$	\$	\$	\$	\$	\$	\$	\$
FNIH							6,184,694	6,172,572
CMHC							1,257,640	1,311,908
Other	242,987	220,351	-	-	16,082	16,082	290,487	300,173
Subtotal	242,987	220,351	-	-	16,082	16,082	7,748,903	7,800,735
Other revenue	317,619	225,157	-	-	1,582,433	849,078	3,514,608	2,135,366
Total revenue	560,606	445,508	-	-	1,598,515	865,160	11,263,511	9,936,101
<b>Expenses</b>								
Amortization	193,341	169,054					1,733,165	1,925,332
Debt servicing	94,216	77,588					199,214	178,966
Other	137,782	154,545	8,391	1,262,594	1,704,361	6,811,927	6,892,534	
Salaries and benefits	23,599	28,453	-	13,935	14,619	3,320,563	3,091,045	
Total expenses	448,938	429,640	-	8,391	1,276,529	1,718,980	12,064,869	12,087,877
Surplus (Deficit)	\$ 111,668	\$ 15,868	\$ -	\$ (8,391)	\$ 321,986	\$ (853,820)	\$ (801,358)	\$ (2,151,776)