

Poplar River First Nation
Consolidated Financial Statements
March 31, 2014

Poplar River First Nation

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For the year ended March 31, 2014

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Management's Responsibility

To the Members of Poplar River First Nation:

The accompanying consolidated financial statements of Poplar River First Nation (the "Nation") are the responsibility of management and have been approved by the Chief and Council.

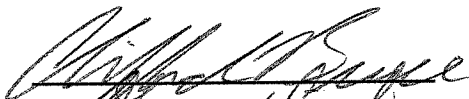
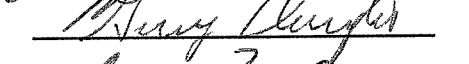

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate 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 Poplar River First Nation Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council are also responsible for recommending the appointment of the 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 Chief and Council and management to discuss their audit findings.


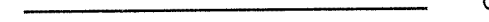

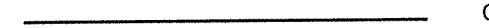
November 3, 2014

Chief

Councillor

Councillor

Councillor

Councillor

Councillor

Independent Auditors' Report

To the Members of Poplar River First Nation:

We have audited the accompanying consolidated financial statements of Poplar River First Nation, 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 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 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

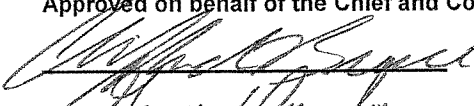

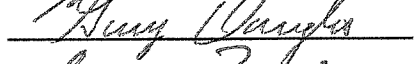

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Poplar River First Nation as at March 31, 2014 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public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

Winnipeg, Manitoba

November 3, 2014

MNP LLP
Chartered Accountants

Poplar River First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

| | 2014 | 2013 |
|--|---|--------------------|
| Financial assets | | |
| Cash | - | 320,289 |
| Accounts receivable (Note 3) | 1,619,062 | 1,273,143 |
| Inventory held for sale | 97,333 | 217,022 |
| Restricted cash (Note 4) | 185,959 | 319,113 |
| Investments (Note 5) | 33,439 | 31,846 |
| | 1,935,793 | 2,161,413 |
| Liabilities | | |
| Bank indebtedness (Note 6) | 1,012,852 | 685,801 |
| Accounts payable and accruals (Note 7) | 1,808,919 | 1,921,581 |
| Deferred revenue (Note 8) | 322,957 | 70,683 |
| Demand Loan (Note 9) | 499,744 | - |
| Long-term debt (Note 10) | 5,953,541 | 6,790,005 |
| | 9,598,013 | 9,468,070 |
| Net debt | (7,662,220) | (7,306,657) |
| Contingent liabilities (Note 11) | | |
| Non-financial assets | | |
| Tangible capital assets (Schedule 1) | 23,353,514 | 23,576,068 |
| Prepaid expenses | 2,436 | 57,428 |
| | 23,355,950 | 23,633,496 |
| Accumulated surplus (Note 12) | 15,693,730 | 16,326,839 |
| Approved on behalf of the Chief and Council: | | |
|  Chief |  Councillor | |
|  Councillor | _____ | Councillor |
|  Councillor | _____ | Councillor |

The accompanying notes are an integral part of these financial statements

Poplar River First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2014

| | <i>Schedules</i> | <i>2014 Budget</i> | <i>2014</i> | <i>2013</i> |
|--|------------------|------------------------|-------------------|-------------------|
| Revenue | | | | |
| Aboriginal Affairs and Northern Development Canada (Note 14) | | 7,853,848 | 8,744,255 | 9,111,444 |
| Repayments to Aboriginal Affairs and Northern Development Canada | | - | (113,557) | (650,094) |
| First Nations and Inuit Health (Note 14) | | 1,319,191 | 1,552,061 | 1,618,703 |
| Repayment to First Nation and Inuit Health | | - | - | (21,676) |
| Canada Mortgage and Housing Corporation | | - | 297,295 | 232,218 |
| | | 9,173,039 | 10,480,054 | 10,290,595 |
| Other revenue | | 354,812 | 1,009,975 | 998,918 |
| Southeast Child and Family Services | | 600,760 | 878,386 | 777,473 |
| Casino revenue | | 637,000 | 658,839 | 660,183 |
| Fuel farm revenue | | - | 339,387 | 242,800 |
| Arena revenue | | - | 311,698 | - |
| East Side Road Authority revenue | | - | 286,055 | 119,380 |
| Tobacco tax rebates | | 143,000 | 272,461 | 204,312 |
| Rental income | | 32,811 | 122,990 | 113,313 |
| Norwin Construction | | 186,832 | 99,722 | 151,750 |
| Interest income | | - | 2,399 | 1,516 |
| Province of Manitoba | | - | - | 111,204 |
| Revenue deferred in prior year (Note 8) | | 80,000 | 70,683 | 4,071,235 |
| Revenue deferred to subsequent year (Note 8) | | - | (322,957) | (70,683) |
| | | 11,208,254 | 14,209,692 | 17,671,996 |
| Segment expenses | | | | |
| Band Governance | 4 | 1,168,281 | 1,775,803 | 1,566,199 |
| Social Assistance | 5 | 2,404,670 | 2,365,903 | 2,401,252 |
| Land Management | 6 | 94,850 | 28,282 | 114,374 |
| Housing | 7 | 504,252 | 1,049,682 | 1,124,883 |
| Community Infrastructure | 8 | 870,040 | 2,580,858 | 2,778,654 |
| Education | 9 | 3,784,125 | 3,995,073 | 3,958,423 |
| Community Wellness | 10 | 1,412,383 | 1,357,986 | 1,445,833 |
| Economic Development | 11 | 840,320 | 1,407,273 | 927,995 |
| Training and Development | 12 | - | 281,941 | 46,332 |
| Total segment expenses (Note 15) | | 11,078,921 | 14,842,801 | 14,363,945 |
| Annual surplus (deficit) | | 129,333 | (633,109) | 3,308,051 |
| Accumulated surplus, beginning of year | | 16,326,839 | 16,326,839 | 13,018,788 |
| Accumulated surplus, end of year | | 16,456,172 | 15,693,730 | 16,326,839 |

The accompanying notes are an integral part of these financial statements

Poplar River First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2014

| | 2014 Budget | 2014 | 2013 |
|---|------------------------|--------------------|---------------------|
| Annual surplus (deficit) | 129,333 | (633,109) | 3,308,051 |
| Purchases of tangible capital assets | - | (1,364,362) | (765,008) |
| Amortization of tangible capital assets | - | 1,586,916 | 1,661,588 |
| | - | 222,554 | 896,580 |
| Acquisition of prepaid expenses | - | - | (57,428) |
| Consumption of inventories held for use | - | - | 55,148 |
| Use of prepaid expenses | - | 54,992 | - |
| | - | 54,992 | (2,280) |
| Decrease (increase) in net debt | 129,333 | (355,563) | 4,202,351 |
| Net debt, beginning of year | (7,306,657) | (7,306,657) | (11,509,008) |
| Net debt, end of year | (7,177,324) | (7,662,220) | (7,306,657) |

The accompanying notes are an integral part of these financial statements

Poplar River First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|------------------|--------------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Cash receipts from contributors | 13,972,849 | 15,413,332 |
| Cash paid to suppliers | (7,763,504) | (8,138,052) |
| Cash paid to employees | (5,082,955) | (4,798,837) |
| Interest on long-term debt | (204,211) | (202,116) |
| | 922,179 | 2,274,327 |
| Financing activities | | |
| Advances of long-term debt | 537,792 | 30,000 |
| Repayment of long-term debt | (874,512) | (1,216,848) |
| Increase (decrease) in bank indebtedness | 327,051 | (377,831) |
| | (9,669) | (1,564,679) |
| Capital activities | | |
| Purchases of tangible capital assets | (1,364,362) | (765,008) |
| Investing activities | | |
| Purchase of investments | (1,592) | (16,948) |
| Proceeds on disposal of investments | - | 15,407 |
| Decrease (increase) in restricted cash | 133,155 | (198,120) |
| | 131,563 | (199,661) |
| Decrease in cash resources | (320,289) | (255,021) |
| Cash resources, beginning of year | 320,289 | 575,310 |
| Cash resources, end of year | - | 320,289 |

The accompanying notes are an integral part of these financial statements

1. Operations

The Poplar River First Nation (the "Nation") is located in the province of Manitoba, and provides various services to its members. Poplar River First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial statements of all enterprises comprising the Nation reporting entity, except for Nation business enterprises.

The Nation has consolidated the assets, liabilities, revenue and expenses of the following organizations and departments:

- Poplar River First Nation Housing Authority
- Asatiwisi Construction Inc.
- Poplar River Development Corporation

All inter-entity balances have been eliminated on consolidation.

Poplar River First Nation business enterprises that are owned or controlled by the Nation's Chief and Council and that are not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to extent that the business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the Nation's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Enterprises accounted for by the modified equity basis include:

- Negginan Fish Station Limited

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become 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 includes balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

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

Inventory held for sale

Inventory held for sale is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

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

Investments

Investments in enterprises that are not owned, controlled, or influenced by the Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Net debt

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

Non-financial assets

The 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.

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

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives. Construction in progress is not amortized until the assets are available for use.

| | |
|---------------------|-------------|
| Community Buildings | 25 years |
| Housing | 25 years |
| Infrastructure | 25-40 years |
| Office equipment | 5 years |
| Vehicles | 5-10 years |

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 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 asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in the consolidated statement of operations for the year.

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

Revenue recognition

Government transfer revenue which includes grants from Aboriginal Affairs and Northern Development Canada, First Nations and Inuit Health, Canada Mortgage and Housing Corporation and Province of Manitoba 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 is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with the related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Rental income is recorded in the year it is earned. At the end of each year, management evaluates the extent of the collectibility of its rent revenue and records a bad debt expense and an allowance for doubtful accounts for amounts designated as unlikely to be collected.

Investment and interest revenue is recognized on an accrual basis in the period that it is earned.

All other types of revenue are recognized by the Nation when services are provided or the goods are shipped and collection is reasonably assured.

Employee future benefits

The Nation's employee future benefit program consists of a defined contribution pension plan. Nation contributions to the defined contribution plan are expensed as incurred.

Financial instruments

Financial instruments include cash, accounts receivable, restricted cash, investments, bank indebtedness, accounts payable and accruals and long-term debt. Unless otherwise stated, it is management's opinion that the Nation is not exposed to significant interest, currency or credit risk arising from the financial instruments. Unless otherwise stated, the book value of the Nation's financial instruments approximates their fair value due to the short-term maturities of the instruments. The fair value of the Nation's long-term debt is approximated by its carrying value as the terms and conditions of similar instruments are not materially different from those associated with the Nation's current long-term debt. It is not practicable within the constraints of timeliness or cost to determine the fair value of the investments as they are not traded in an active market.

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 period.

Accounts receivable are stated after evaluation as to their collectibility and an allowance for doubtful accounts is provided where considered necessary. Inventory is stated after provisions are made for slow-moving or obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the consolidated statement of operations in the period in which they become known.

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

Segments

The Nation conducts its business through ten reportable segments. These operating segments are established by senior management to facilitate the achievement of the 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 Nation has ten reportable segments. These segments are differentiated by the major activities or services they provide. The Nation's segments are as follows:

Ottawa Trust Fund - reports revenue allocated to the fund and transfers to other segments.

Band Governance - reports on administration and governance activities.

Social Assistance - reports on social assistance programs.

Land Management - reports on the development of the Nation's land.

Housing - reports on developing and sustaining on-reserve housing.

Community Infrastructure - reports on the maintenance of the community and its infrastructure.

Education - reports on the operations of education programs.

Community Wellness - reports on the Nation's funding related to health and wellness.

Economic Development - reports on other band programs not funded by AANDC or FNIH, including its commercial operations.

Training and Development - reports on the training and development of community members.

Recent accounting pronouncements

Liability for contaminated sites

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Nation has not yet determined the effect of the new section in its consolidated financial statements.

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2016. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The Nation has not yet determined the effect of these new standards on its consolidated financial statements.

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Accounts receivable

| | 2014 | 2013 |
|--|------------------|-------------|
| Aboriginal Affairs and Northern Development Canada (AANDC) | 778,298 | 987,332 |
| First Nations and Inuit Health | 260 | - |
| Community church | 28,416 | 28,416 |
| Advances to members | 639,031 | 568,682 |
| Trade receivables | 672,815 | 102,230 |
| Goods and Services Tax | 9,948 | 9,948 |
| Economic development loans | 79,687 | 79,687 |
| Negginan Fishing Station | 143,196 | 86,241 |
| Allowance for doubtful accounts | (732,589) | (589,393) |
| | 1,619,062 | 1,273,143 |

AANDC accounts receivable consist of:

| | |
|--|----------------|
| Year-end PAYE confirmation | 607,071 |
| Cheques issued by AANDC prior to year end, received after March 31, 2014 | 160,578 |
| Prior year accounts receivable | 10,649 |
| | 778,298 |

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

4. Restricted cash

| | 2014 | 2013 |
|--------------------------|----------------|---------|
| CMHC Replacement Reserve | 120,589 | 256,142 |
| Ottawa Trust Fund | 65,370 | 62,971 |
| | 185,959 | 319,113 |

CMHC replacement reserve

As required as part of the Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements of CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The Nation is currently in violation of its major funding agreement with CMHC. The specified replacement reserve bank account was underfunded by \$64,524 as at March 31, 2014 (2013 - \$0). Under the terms of the agreements with CMHC, excess federal assistance payments received must be retained in a subsidy surplus reserve. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants. As at March 31, 2014, a separate bank account has not been maintained for this reserve. The specified subsidy surplus reserve bank account was underfunded by \$12,238 as at March 31, 2014 (2013 - \$0).

Ottawa Trust Fund

The Ottawa Trust fund accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Capital and revenue trust monies are transferred to the Nation on authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the Nation's Council.

Capital Trust

| | 2014 | 2013 |
|----------------------------|-------------|------|
| Balance, beginning of year | 400 | 400 |
| Balance, end of year | 400 | 400 |

Revenue Trust

| | | |
|----------------------------|---------------|--------|
| Balance, beginning of year | 62,571 | 61,055 |
| Interest | 1,599 | 716 |
| Land Leases | 800 | 800 |
| Balance, end of year | 64,970 | 62,571 |
| | 65,370 | 62,971 |

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

5. Investments

| | 2014 | 2013 |
|--|---------------|-------------|
| Shawano-Wapunong Building Inc. | 33,438 | 31,845 |
| Brokenhead River Casino Resort Limited Partnership | 1 | 1 |
| | 33,439 | 31,846 |

Poplar River First Nation holds a minority interest (11.1%) in Shawano-Wapunong Building Inc. ("SWB"), a property development company.

Funds held by SWB are on deposit only, gaining interest at a rate of 5% per annum. SWB is owned by the eight Southeast First Nations in Manitoba and invests funds mostly in commercial real estate in Winnipeg, Manitoba.

The investment in Brokenhead River Casino Resort Limited Partnership represents one seventh ownership, in the form of a Limited Partner, of the 100 units issued by the Partnership Corporation, which was formed to operate the Aboriginal casino on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba.

6. Bank indebtedness

| | 2014 | 2013 |
|----------------------------------|------------------|-------------|
| General operating line of credit | 1,005,867 | 627,343 |
| Social services | 6,985 | 58,458 |
| | 1,012,852 | 685,801 |

The general operating loan is authorized to a maximum of \$650,000 (2013 - \$400,000), bearing interest at prime plus 2.65% (2013 - prime plus 2.65%), due monthly. The balance of the general operating loan includes outstanding cheques in excess of outstanding deposits of \$364,407 (2013 - \$240,103). The operating loan is secured by a General Security Agreement and a Band Council Resolution authorizing the debt and a letter of direction to pay, acknowledged by Aboriginal Affairs and Northern Development Canada. The Social services account consists of outstanding cheques in excess of outstanding deposits of \$6,985 (2013 - \$58,458).

7. Accounts payable and accruals

| | 2014 | 2013 |
|---------------------------------------|------------------|-------------|
| Capital project payables | 189,530 | 245,406 |
| Trade payables | 1,337,962 | 1,546,001 |
| Due to First Nations and Inuit Health | - | 21,676 |
| Road construction payables | 148,900 | 25,000 |
| Payroll accrual | 79,698 | 67,844 |
| Pension and employee benefits payable | 4,488 | 15,654 |
| Due to AANDC | 48,341 | - |
| | 1,808,919 | 1,921,581 |

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

8. Deferred revenue

| | 2014 | 2013 |
|--|----------------|-------------|
| Province of Manitoba - Land management (Schedule 6) | - | 27,355 |
| Residential Rehabilitation Assistance Program (Schedule 7) | 188,762 | 43,328 |
| First Nations and Inuit Health (Schedule 10) | 134,195 | - |
| | 322,957 | 70,683 |

9. Demand Loan

First Nation Bank loan, bearing interest at 5.65%, due on demand, secured by a General Security Agreement.

10. Long-term debt

| | 2014 | 2013 |
|---|----------------|-------------|
| First Nations Bank term loan, payable in monthly instalments of \$575 plus interest at 4.75%, due November 2014, secured by a General Security Agreement. | 4,031 | 9,213 |
| First Nations Bank demand loan, payable in monthly instalments of \$6,095 including interest at 4%, next renewal date January 2015, due January 2030, secured by a General Security Agreement. | 897,661 | 937,208 |
| CMHC mortgage, payable in monthly instalments of \$3,914 including interest at 2.56%, next renewal date December 1, 2015, due November 1, 2025, amortized over 25 years, secured by a ministerial guarantee and assignment of fire insurance. | 473,577 | 508,005 |
| CMHC mortgage, payable in monthly instalments of \$4,564 including interest at 1.62%, next renewal date March 1, 2018, due March 1, 2033, amortized over 20 years, secured by a ministerial guarantee and assignment of fire insurance. | 895,627 | 935,582 |
| CMHC mortgage, payable in monthly instalments of \$1,621 including interest at 1.98%, next renewal date May 1, 2019, due May 1, 2029, amortized over 25 years, secured by a ministerial guarantee and assignment of fire insurance. | 253,791 | 268,302 |
| First Nations Bank loan, payable in monthly instalments of \$25,000 plus interest at prime plus 3.0% (2014 - 6.0%), due May 2015, secured by a General Security Agreement. | 130,000 | 430,000 |
| First Nations Bank mortgage, payable in monthly instalments of \$2,169 including interest at 4.69%, due February 1, 2035, secured by a General Security Agreement. | 345,161 | 354,728 |
| CMHC mortgage, payable in monthly instalments of \$2,526 including interest at 2.87%, next renewal date December 1, 2014, due November 1, 2034, amortized over 25 years, secured by a ministerial guarantee and assignment of fire insurance. | 471,642 | 488,238 |
| First Nations Bank term loan, payable in monthly instalments of \$718 including interest at 5.0%, due December 2018, secured by a General Security Agreement. | 36,351 | - |
| General Motors Acceptance Corporation term loan payable in monthly instalments of \$783 including interest at 6.49%, due January 2015, secured by vehicle with a net book value of \$6,896 (2013 - \$13,793). | 6,644 | 15,306 |

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

10. Long-term debt *(Continued from previous page)*

| | 2014 | 2013 |
|--|------------------|-----------|
| CMHC mortgage, payable in monthly instalments of \$2,387 including interest at 2.75%, next renewal date February 1, 2016, due February 2036, amortized over 25 years, secured by a ministerial guarantee and assignment of fire insurance. | 471,258 | 486,777 |
| First Nations Bank term loan, payable in monthly instalments of \$7,195 plus interest at 5.0%, renewal November 2016; due November 1, 2031, secured by a General Security Agreement. | 1,103,232 | 1,140,872 |
| First Nations Bank term loan, payable in annual instalments of \$328,300 including interest at prime plus 2.75% (2014 - 5.75%), secured by a General Security Agreement, due May 1, 2016. | 857,422 | 1,183,276 |
| General Motors Acceptance Corporation term loan payable in monthly instalments of \$807 including interest at 1.90%, due January 2015, secured by vehicle with a net book value of \$7,743 (2013 - \$15,487). | 7,144 | 16,595 |
| General Motors Acceptance Corporation term loan repaid during the year. | - | 15,903 |
| | 5,953,541 | 6,790,005 |

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

| | |
|------|-----------|
| 2015 | 696,000 |
| 2016 | 556,000 |
| 2017 | 436,000 |
| 2018 | 243,000 |
| 2019 | 249,000 |
| | <hr/> |
| | 2,180,000 |

11. Contingent liabilities

The Nation is subject to funding recoveries according to their agreements with federal government agencies. At year end it was not yet determined to what extent any funding amounts relating to the year ending March 31, 2014 might be recovered.

AANDC has confirmed that \$56,440 and \$17,710 from fiscal year 2008-09 might be recovered. No repayment terms have been determined at this time.

Poplar River First Nation has guaranteed two loans for Negginan Fishing Station Ltd. As at March 31, 2014 an amount totaling \$48,418 (2013 - \$48,418) was still outstanding on these loans. No liability has been recorded for these guarantees.

The Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to AANDC by July 29, 2014. As the audit report date is dated after this date, the Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined.

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

12. Accumulated surplus

| | 2014 | 2013 |
|-------------------------------------|-------------------|-------------------|
| Equity in Ottawa Trust Funds | 65,370 | 62,971 |
| CMHC replacement reserve | 185,113 | 205,234 |
| CMHC subsidy surplus reserve | 12,238 | 50,908 |
| Invested in tangible capital assets | 17,070,612 | 17,225,154 |
| Unrestricted deficit | (1,639,603) | (1,217,428) |
| | 15,693,730 | 16,326,839 |

13. Investments in Nation business entities

The Nation has investments in the following entities:

| | Investment cost | Loans / advances | Cumulative share of earnings (loss) | 2014 Total investment |
|--|--------------------|---------------------|---|-----------------------------|
| First Nation Business Partnerships – Modified Equity: | | | | |
| Negginan Fishing Station Limited | 1 | - | (1) | - |

Summary financial information for each Nation business entity, accounted for using the modified equity method, for their respective year-end is as follows:

| | |
|---|---|
| | Negginan Fishing Station Limited As at December 31, 2013 |
| Accounts receivable | 106,963 |
| Inventory | 1,259 |
| Property, plant and equipment | 190,053 |
| Total assets | 298,275 |
| Liabilities and Equity | |
| Accounts payable and accruals | 163,385 |
| Cheques issued in excess of cash on hand | 11,894 |
| Short-term debt | 24,209 |
| Long-term debt | 159,983 |
| Contributed Capital | 126,708 |
| Share Capital | 1 |
| Deficit | (187,905) |
| Total liabilities and equity | 298,275 |
| Total revenue | 1,199,923 |
| Total expenses | 1,221,353 |
| Net income | (21,430) |
| Deficit, beginning of year | (166,475) |
| Deficit, end of year | (187,905) |

Poplar River First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

13. Investments in Nation business entities *(Continued from previous page)*

The Nation has guaranteed the following debt on behalf of its Nation business enterprise:

- Negginan Fishing Station Limited has a long-term debt due to First Nations' Bank in the amount of \$48,418, payable in monthly instalments averaging \$2,400 including principal and interest, with an interest rate of 5.45%. The Nation has guaranteed \$48,418 of this long-term debt.

14. AANDC and FNIH revenue reconciliation

| | 2014 |
|---|--------------------|
| AANDC revenue per funding agreement | 8,737,800 |
| Add: Recovery of AANDC accounts receivable previously written off | 6,455 |
| AANDC revenue per consolidated financial statement | (8,744,255) |
| | - |
| FNIH revenue per funding agreement | 1,552,061 |
| FNIH revenue per consolidated financial statement | (1,552,061) |
| | - |

15. Consolidated schedule of segment expenses by object

| | 2014 | 2013 |
|---|-------------------|-------------|
| Amortization | 1,586,916 | 1,661,588 |
| Bank charges and interest | 325,763 | 341,953 |
| Compensation and training | 5,166,590 | 5,000,069 |
| Purchased goods and services | 4,254,484 | 3,796,258 |
| Social assistance | 2,260,966 | 2,303,981 |
| Support to community and members | 381,196 | 316,483 |
| Travel, accommodation and related costs | 315,409 | 345,771 |
| Tuition | 551,477 | 597,842 |
| | 14,842,801 | 14,363,945 |

16. Economic dependence

Poplar River First Nation receives 71% (2013 - 61%) of its revenues 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 and FNIH under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

17. Pension liabilities

The First Nation remits its pension liabilities on a monthly basis and remittances were current at year end. Pension liabilities are not maintained in a separate bank account.

18. Provision for site rehabilitation

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive lagoon and landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste lagoon and landfill sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance.

As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the Nation is bound by environmental laws of the Manitoba Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

19. Budget information

The disclosed budget information has been approved by the Chief and Council of the Poplar River First Nation.

20. Comparative figures

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

Poplar River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

| | <i>Community Buildings</i> | <i>Housing</i> | <i>Infrastructure</i> | <i>Office Equipment</i> | <i>Vehicles</i> | <i>Subtotal</i> |
|--|--------------------------------|------------------|-----------------------|-----------------------------|-----------------|-------------------|
| Cost | | | | | | |
| Balance, beginning of year | 10,409,166 | 19,043,666 | 12,614,073 | 191,341 | 1,361,358 | 43,619,604 |
| Acquisition of tangible capital assets | 458,429 | - | - | - | - | 458,429 |
| Balance, end of year | 10,867,595 | 19,043,666 | 12,614,073 | 191,341 | 1,361,358 | 44,078,033 |
| Accumulated amortization | | | | | | |
| Balance, beginning of year | 4,710,811 | 10,104,990 | 4,980,778 | 127,610 | 611,018 | 20,535,207 |
| Annual amortization | 403,995 | 678,695 | 334,500 | 29,468 | 140,258 | 1,586,916 |
| Balance, end of year | 5,114,806 | 10,783,685 | 5,315,278 | 157,078 | 751,276 | 22,122,123 |
| Net book value of tangible capital assets | 5,752,789 | 8,259,981 | 7,298,795 | 34,263 | 610,082 | 21,955,910 |
| 2013 Net book value of tangible capital assets | 5,698,355 | 8,938,676 | 7,633,295 | 63,731 | 750,340 | 23,084,397 |

Poplar River First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

| | <i>Subtotal</i> | <i>Construction in progress</i> | <i>2014</i> | <i>2013</i> |
|--|-----------------|-------------------------------------|-------------|-------------|
| Cost | | | | |
| Balance, beginning of year | 43,619,604 | 491,671 | 44,111,275 | 43,346,267 |
| Acquisition of tangible capital assets | 458,429 | 905,933 | 1,364,362 | 765,008 |
| Balance, end of year | 44,078,033 | 1,397,604 | 45,475,637 | 44,111,275 |
| Accumulated amortization | | | | |
| Balance, beginning of year | 20,535,207 | - | 20,535,207 | 18,873,619 |
| Annual amortization | 1,586,916 | - | 1,586,916 | 1,661,588 |
| Balance, end of year | 22,122,123 | - | 22,122,123 | 20,535,207 |
| Net book value of tangible capital assets | 21,955,910 | 1,397,604 | 23,353,514 | 23,576,068 |
| 2013 Net book value of tangible capital assets | 23,084,397 | 491,671 | 23,576,068 | |

Poplar River First Nation
Schedule 2 - Summary of Schedules of Consolidated Segment Revenue and Expenses
For the year ended March 31, 2014

| | <i>Schedule #</i> | AANDC Revenue | Other Revenue | Deferred Revenue | Total Revenue | Total Expenses | Transfers | 2014 Surplus (Deficit) | 2013 Surplus (Deficit) |
|--------------------------|-------------------|--------------------------|----------------------|-----------------------------|--------------------------|-----------------------|------------------|-----------------------------------|-----------------------------------|
| Ottawa Trust Fund | 3 | | 2,399 | - | 2,399 | - | - | 2,399 | 1,516 |
| Band Governance | 4 | 869,041 | 507,840 | - | 1,376,881 | 1,775,803 | 424,411 | 25,489 | 69,961 |
| Social Assistance | 5 | 2,352,706 | 10,657 | | 2,363,363 | 2,365,903 | | (2,540) | (30,788) |
| Land Management | 6 | - | 47,250 | 27,355 | 74,605 | 28,282 | (12,000) | 34,323 | 172,101 |
| Housing | 7 | 596,507 | 1,037,862 | (145,434) | 1,488,935 | 1,049,682 | (25,687) | 413,566 | 995,349 |
| Community Infrastructure | 8 | 1,032,233 | 263,341 | - | 1,295,574 | 2,580,858 | | (1,285,284) | 1,737,935 |
| Education | 9 | 3,893,768 | 78,392 | | 3,972,160 | 3,995,073 | (256,464) | (279,377) | (322,812) |
| Community Wellness | 10 | | 1,871,159 | (134,195) | 1,736,964 | 1,357,986 | (130,260) | 248,718 | 25,831 |
| Economic Development | 11 | - | 1,705,809 | - | 1,705,809 | 1,407,273 | - | 298,536 | 656,651 |
| Training and Development | 12 | | 193,002 | - | 193,002 | 281,941 | - | (88,939) | 2,307 |
| | | 8,744,255 | 5,717,711 | (252,274) | 14,209,692 | 14,842,801 | - | (633,109) | 3,308,051 |

**Poplar River First Nation
Ottawa Trust Fund**

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|---------------|-------------|
| Revenue | | |
| Interest income | 2,399 | 1,516 |
| Surplus | 2,399 | 1,516 |
| Accumulated surplus, beginning of year | 62,971 | 61,455 |
| Accumulated surplus, end of year | 65,370 | 62,971 |

**Poplar River First Nation
Band Governance**

Schedule 4 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2014

| | 2014 | 2013 |
|--|------------------|-------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | 869,041 | 870,313 |
| Other revenue | 285,236 | 112,356 |
| Southeast Child and Family Services | 222,604 | 241,992 |
| | 1,376,881 | 1,224,661 |
| Expenses | | |
| Amortization | 169,726 | 165,850 |
| Automotive | 5,767 | 12,406 |
| Bad debts | 143,196 | - |
| Bank charges and interest | 69,980 | 71,373 |
| Insurance | 10,612 | 56,636 |
| Office | 128,513 | 73,312 |
| Other expenses | - | 4,487 |
| Professional fees | 231,249 | 133,543 |
| Program expense | 13,985 | 22,548 |
| Salaries and benefits | 833,551 | 716,376 |
| Training | 9,752 | 85,234 |
| Travel | 120,296 | 149,890 |
| Utilities | 39,176 | 74,544 |
| | 1,775,803 | 1,566,199 |
| Deficit before transfers | (398,922) | (341,538) |
| Transfers between programs | 424,411 | 411,499 |
| Surplus | 25,489 | 69,961 |
| Accumulated surplus, beginning of year | 1,949,934 | 1,879,973 |
| Accumulated surplus, end of year | 1,975,423 | 1,949,934 |

Poplar River First Nation
Social Assistance

Schedule 5 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2014

| | 2014 | 2013 |
|--|------------------|-------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | 2,352,706 | 2,370,464 |
| Repayments to Aboriginal Affairs and Northern Development Canada | (61,096) | - |
| Other revenue | 71,753 | - |
| | 2,363,363 | 2,370,464 |
| Expenses | | |
| Bank charges and interest | 6,567 | 6,843 |
| Office | 3,663 | 4,124 |
| Salaries and benefits | 67,285 | 67,302 |
| Social assistance - employable | 1,876,228 | 1,848,756 |
| Social assistance - special needs | 75,189 | 70,598 |
| Social assistance - unemployable | 309,550 | 384,627 |
| Travel | 27,421 | 19,002 |
| | 2,365,903 | 2,401,252 |
| Deficit | (2,540) | (30,788) |
| Accumulated surplus, beginning of year | 48,546 | 79,334 |
| Accumulated surplus, end of year | 46,006 | 48,546 |

Poplar River First Nation
Land Management

Schedule 6 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|-----------------|-------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | - | 49,660 |
| Other revenue | 47,250 | 46,966 |
| Province of Manitoba | - | 111,204 |
| Revenue deferred in prior year | 27,355 | 118,000 |
| Revenue deferred to subsequent year | - | (27,355) |
| | 74,605 | 298,475 |
| Expenses | | |
| Program expense | 21,653 | 67,382 |
| Salaries and benefits | 4,198 | 39,345 |
| Travel | 2,431 | 7,647 |
| | 28,282 | 114,374 |
| Surplus before transfers | 46,323 | 184,101 |
| Transfers between programs | (12,000) | (12,000) |
| Surplus | 34,323 | 172,101 |
| Accumulated surplus (deficit), beginning of year | 171,553 | (548) |
| Accumulated surplus, end of year | 205,876 | 171,553 |

Poplar River First Nation
Housing

Schedule 7 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2014

| | 2014 | 2013 |
|--|-------------------|------------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | 596,507 | 1,348,117 |
| Canada Mortgage and Housing Corporation | 297,295 | 232,217 |
| Southeast Child and Family Services | 600,057 | 486,564 |
| Rental income | 122,990 | 113,313 |
| Other revenue | 17,520 | 3,500 |
| Revenue deferred in prior year | 43,328 | - |
| Revenue deferred to subsequent year | (188,762) | (43,328) |
| | 1,488,935 | 2,140,383 |
| Expenses | | |
| Amortization | 173,854 | 173,854 |
| Automotive | 19,432 | 32,707 |
| Bank charges and interest | 44,324 | 62,326 |
| Contracted services | - | 8,875 |
| Elder Home program expenses | 28,830 | 31,607 |
| Furniture and equipment | 1,071 | 4,108 |
| Group Home program expenses | 60,187 | 46,673 |
| Insurance | 107,922 | 83,248 |
| Interest on long-term debt | 115,186 | 140,660 |
| Office | 15,481 | 18,754 |
| Professional fees | 7,886 | 8,383 |
| Program expense | 1,512 | - |
| Repairs and maintenance | 35,919 | 40,814 |
| Salaries and benefits | 403,148 | 428,468 |
| Telephone | 10,788 | - |
| Training | - | 12,131 |
| Travel | 11,103 | 15,866 |
| Utilities | 13,039 | 16,409 |
| | 1,049,682 | 1,124,883 |
| Surplus before transfers | 439,253 | 1,015,500 |
| Transfers between programs | (25,687) | (20,151) |
| Surplus | 413,566 | 995,349 |
| Accumulated surplus, beginning of year | 9,607,994 | 8,612,645 |
| Accumulated surplus, end of year | 10,021,560 | 9,607,994 |

**Poplar River First Nation
Community Infrastructure**

Schedule 8 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus
For the year ended March 31, 2014

| | 2014 | 2013 |
|--|--------------------|------------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | 1,032,233 | 640,275 |
| Repayments to Aboriginal Affairs and Northern Development Canada | - | (639,235) |
| First Nations and Inuit Health | 16,500 | 15,303 |
| Other revenue | 203,495 | 304,211 |
| Fuel farm revenue | 43,346 | 242,800 |
| Revenue deferred in prior year | - | 3,953,235 |
| | 1,295,574 | 4,516,589 |
| Expenses | | |
| Amortization | 1,243,336 | 1,314,809 |
| Automotive | 62,982 | 234,174 |
| Community building operations | 56,289 | 241,123 |
| Contracted services | - | 280,698 |
| Insurance | 269,719 | 12,056 |
| Interest on long-term debt | 89,024 | 60,654 |
| Office | - | 215 |
| Program expense | 117,390 | 64,879 |
| Repairs and maintenance | 353,500 | 207,736 |
| Salaries and benefits | 309,141 | 344,875 |
| Travel | 27,862 | 13,812 |
| Utilities | 51,615 | 3,623 |
| | 2,580,858 | 2,778,654 |
| Surplus (deficit) | (1,285,284) | 1,737,935 |
| Accumulated surplus, beginning of year | 2,405,884 | 667,949 |
| Accumulated surplus, end of year | 1,120,600 | 2,405,884 |

Poplar River First Nation
Education

Schedule 9 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2014

| | 2014 | 2013 |
|--|------------------|-------------|
| Revenue | | |
| Aboriginal Affairs and Northern Development Canada | 3,893,768 | 3,832,616 |
| Repayments to Aboriginal Affairs and Northern Development Canada | (52,461) | (10,859) |
| Other revenue | 130,853 | 62,943 |
| | 3,972,160 | 3,884,700 |
| Expenses | | |
| Automotive | 99,083 | 76,056 |
| Graduation expenses | 26,705 | 20,056 |
| Insurance | 111,641 | 60,119 |
| Interest on long-term debt | - | 802 |
| Office supplies | 37,738 | 61,366 |
| Other expenses | 220 | 485 |
| Other student expenses | 38,598 | 36,846 |
| Program expense | 13,333 | 500 |
| Program supplies | 156,989 | 109,218 |
| Rent | 12,630 | - |
| Repairs and maintenance | 21,407 | 127,990 |
| Salaries and benefits | 1,983,665 | 2,004,746 |
| Student accommodations and relocation | 376,903 | 349,514 |
| Student allowances | 225,187 | 191,170 |
| Student travel | 128,386 | 87,226 |
| Teacher recruitment and relocation | 45,186 | 39,152 |
| Training | 39,894 | 75,392 |
| Travel | 59,018 | 53,530 |
| Tuition | 551,477 | 597,842 |
| Utilities | 67,013 | 66,413 |
| | 3,995,073 | 3,958,423 |
| Deficit before transfers | (22,913) | (73,723) |
| Transfers between programs | (256,464) | (249,089) |
| Deficit | (279,377) | (322,812) |
| Accumulated surplus, beginning of year | 515,699 | 838,511 |
| Accumulated surplus, end of year | 236,322 | 515,699 |

**Poplar River First Nation
Community Wellness**

Schedule 10 - Consolidated Schedule of Revenue and Expenses and Accumulated Deficit

For the year ended March 31, 2014

| | 2014 | 2013 |
|--|------------------|------------------|
| Revenue | | |
| Government funding | | |
| First Nations and Inuit Health | 1,535,561 | 1,603,400 |
| Recovery from (repayments to) First Nations and Inuit Health | - | (21,676) |
| Other revenue | 23,900 | 20,200 |
| Arena revenue | 311,698 | - |
| Revenue deferred to subsequent year | (134,195) | - |
| | 1,736,964 | 1,601,924 |
| Expenses | | |
| Amortization | - | 7,077 |
| Automotive | 37,901 | 42,922 |
| Insurance | 18,067 | 36,906 |
| Office | 18,801 | 26,184 |
| Program expense | 116,275 | 221,597 |
| Repairs and maintenance | 82,853 | 67,058 |
| Salaries and benefits | 922,528 | 877,757 |
| Telephone | - | 805 |
| Training | 33,990 | 28,474 |
| Travel | 59,238 | 79,799 |
| Utilities | 68,048 | 57,254 |
| Other expenses | 285 | - |
| | 1,357,986 | 1,445,833 |
| Surplus before transfers | 378,978 | 156,091 |
| Transfers between programs | (130,260) | (130,260) |
| Surplus | 248,718 | 25,831 |
| Accumulated deficit, beginning of year | (321,745) | (347,576) |
| Accumulated deficit, end of year | (73,027) | (321,745) |

Poplar River First Nation
Economic Development

Schedule 11 - Consolidated Schedule of Revenue and Expenses and Accumulated Surplus

For the year ended March 31, 2014

| | 2014 | 2013 |
|---|------------------|------------------|
| Revenue | | |
| Casino revenue | 658,839 | 660,183 |
| Fuel farm revenue | 296,042 | - |
| East Side Road Authority revenue | 286,055 | 119,380 |
| Tobacco tax rebates | 272,461 | 204,312 |
| Norwin Construction | 99,722 | 151,750 |
| Southeast Child and Family Services | 55,725 | 48,917 |
| Other revenue | 36,965 | 400,103 |
| | 1,705,809 | 1,584,645 |
| Expenses | | |
| Automotive | 7,512 | 13,895 |
| Band Member payouts | 111,069 | 95,189 |
| Band member support | 270,127 | 221,294 |
| Bank charges and interest | 682 | - |
| Economic development loans | - | 8,475 |
| Materials | 314,636 | - |
| Office | 14,320 | 11,422 |
| Other expenses | 13,437 | 9,918 |
| Repairs and maintenance | 133,667 | 138,977 |
| Road clearing | 250,343 | 145,486 |
| Salaries and benefits | 283,441 | 275,996 |
| Travel | 8,039 | 6,225 |
| Utilities | - | 1,118 |
| | 1,407,273 | 927,995 |
| Surplus | 298,536 | 656,650 |
| Accumulated surplus, beginning of year | 1,973,186 | 1,316,536 |
| Accumulated surplus, end of year | 2,271,722 | 1,973,186 |

Poplar River First Nation
Training and Development

Schedule 12 - Consolidated Schedule of Revenue and Expenses and Accumulated Deficit
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|------------------|-----------------|
| Revenue | | |
| Other revenue | 193,002 | 48,639 |
| Expenses | | |
| Program expense | 3,425 | 2,359 |
| Salaries and benefits | 276,000 | 43,973 |
| Telephone | 2,516 | - |
| | 281,941 | 46,332 |
| Surplus (deficit) | (88,939) | 2,307 |
| Accumulated deficit, beginning of year | (87,187) | (89,494) |
| Accumulated deficit, end of year | (176,126) | (87,187) |