

**EBB AND FLOW FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015**

EBB AND FLOW FIRST NATION

MARCH 31, 2015

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MANAGEMENT'S RESPONSIBILITY

To the Members of Ebb and Flow First Nation:




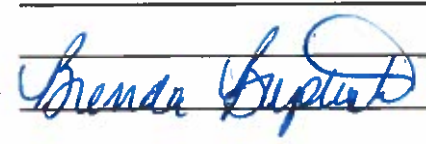
Management is responsible for the preparation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement 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 financial statements.

The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

Zaplitny and Zamrykut, Chartered Accountants, an independent firm of Chartered Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

October 30, 2015

| | | | |
|---|------------|--|------------|
|  | Chief | _____ | Vice Chief |
|  | Councillor | _____ | Councillor |
|  | Councillor |  | Councillor |

AUDITORS' REPORT

To the Members of Ebb and Flow First Nation:

We have audited the consolidated statement of financial position of the Ebb and Flow First Nation as at March 31, 2015 and the consolidated statements of operations, changes in net debt, cash flows, the consolidated schedule of tangible capital assets (Schedule 1) for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair representation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

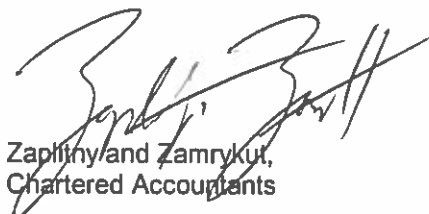
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ebb and Flow First Nation as at March 31, 2015 and the results of its operations and accumulated surplus, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The information presented in the supplementary schedules is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The supplemental information has been subjected only to auditing procedures applied in the audit of the basic financial statements, taken as a whole.



Zaphry and Zamrykut,
Chartered Accountants

Dauphin, Manitoba
October 30, 2015

EBB AND FLOW FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION







AS AT MARCH 31, 2015

| | 2015 | 2014 (restated) |
|--|----------------------|----------------------|
| FINANCIAL ASSETS | | |
| Restricted Cash - Note 3 | \$ 24,352 | \$ 22,658 |
| Short Term Investments - Note 4 | 50,285 | 50,054 |
| Accounts Receivable - Note 5 | 719,586 | 894,563 |
| Inventory Held for Resale - Note 6 | 295,758 | 292,348 |
| | 1,089,981 | 1,259,623 |
| LIABILITIES | | |
| Bank Indebtedness | 973,402 | 75,129 |
| Accounts Payable and Accruals - Note 7 | 2,597,364 | 3,220,142 |
| Deferred Revenue - Note 8 | 111,475 | 150,000 |
| Long Term Debt - Note 9 | 14,107,136 | 15,022,794 |
| | 17,789,377 | 18,468,065 |
| NET DEBT | (16,699,396) | (17,208,442) |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets - Schedule 1 | 37,077,517 | 38,347,374 |
| Deferred Finance Charges - Note 11 | 471,312 | 621,750 |
| Funds on Deposit - Note 15 | 890,000 | - |
| Prepaid Expenses | 108,672 | 108,553 |
| | 38,547,501 | 39,077,677 |
| ACCUMULATED SURPLUS - NOTE 10 | \$ 21,848,105 | \$ 21,869,235 |

Contingent Liabilities - Note 14

Subsequent Events - Note 15

Approved on Behalf of the Council

| | | | |
|---|------------|--|------------|
|  | Chief |  | Vice Chief |
|  | Councillor |  | Councillor |
|  | Councillor |  | Councillor |

(The accompanying notes are an integral part of these financial statements.)

EBB AND FLOW FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|----------------------|----------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 11,045,439 | \$ 12,903,855 | \$ 17,998,741 |
| AANDC Recoveries | - | (103,629) | (287,797) |
| First Nation and Inuit Health (FNIH) | 1,697,345 | 2,083,846 | 2,146,170 |
| Canada Mortgage and Housing Corporation (CMHC) | 780,000 | 647,781 | 748,076 |
| Province of Manitoba | 96,000 | 1,405,102 | 696,881 |
| Manitoba Bison Co-op | 66,000 | 5,244 | 14,427 |
| MANFF | - | 94,368 | - |
| Fuel, Confectionery, and Tobacco | 660,000 | 4,728,297 | 4,497,725 |
| Other | 149,307 | 724,926 | 575,991 |
| First People Development Inc. | - | 708,030 | 612,030 |
| Frontier School Division | 951,846 | 1,169,872 | 953,290 |
| Restaurant | 448,000 | 440,226 | 455,515 |
| VLT Proceeds | 930,000 | 1,016,772 | 1,062,257 |
| Rent | 930,000 | 976,196 | 1,164,337 |
| Interest | - | 894 | 1,091 |
| Revenue Deferred in Prior Year - Note 8 | - | 150,000 | 2,826,915 |
| Revenue Deferred to Subsequent Year-Note 8 | - | (111,475) | (150,000) |
| | 17,753,937 | 26,840,305 | 33,315,649 |
| EXPENSES | | | |
| Governance and Administration | 747,829 | 1,179,185 | 2,268,655 |
| Social | 4,181,939 | 4,112,965 | 4,223,416 |
| Health | 857,913 | 2,201,378 | 1,929,052 |
| Housing | 761,394 | 1,668,539 | 1,407,791 |
| Economic Development | 115,900 | 259,228 | 229,075 |
| Education | 5,702,450 | 6,180,547 | 6,444,214 |
| Operations and Maintenance | 780,986 | 3,352,509 | 2,531,723 |
| Training and Other | 1,743,042 | 7,907,084 | 8,373,640 |
| | 14,891,453 | 26,861,435 | 27,407,566 |
| ANNUAL SURPLUS (DEFICIT) | \$ 2,862,484 | (21,130) | 5,908,083 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 21,869,235 | 15,961,152 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 21,848,105 | \$ 21,869,235 |

(The accompanying notes are an integral part of these financial statements.)

EBB AND FLOW FIRST NATION

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 | 2014 |
|---|------------------------|------------------------|
| ANNUAL SURPLUS (DEFICIT) | \$ (21,130) | \$ 5,908,083 |
| Purchases of Tangible Capital Assets | (1,338,304) | (10,604,416) |
| Amortization of Tangible Capital Assets | 2,608,161 | 1,928,524 |
| Finance Charges Relating to New Debt | - | (621,750) |
| Amortization of Finance Charges | 150,438 | - |
| Net (Increase) Decrease of Funds on Deposit | (890,000) | - |
| Net (Increase) Decrease of Prepaid Expenses | (119) | (97,843) |
| DECREASE (INCREASE) IN NET DEBT | 509,046 | (3,487,402) |
| NET DEBT, BEGINNING OF YEAR | (17,208,442) | (13,721,040) |
| NET DEBT, END OF YEAR | \$ (16,699,396) | \$ (17,208,442) |

(The accompanying notes are an integral part of these financial statements.)

EBB AND FLOW FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

MARCH 31, 2015

| | 2015 | 2014 (restated) |
|--|---------------------|---------------------|
| CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Cash Receipts from Contributors | \$ 26,968,911 | \$ 33,157,310 |
| Cash Paid to Suppliers | (15,886,952) | (15,704,544) |
| Cash Paid to Employees | (9,313,262) | (8,429,080) |
| Interest on Long Term Debt | (409,620) | (361,061) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 1,359,077 | 8,662,625 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Advances of Long Term Debt | 725,000 | 3,800,000 |
| Repayment of Long Term Debt | (1,640,658) | (2,009,918) |
| CASH FLOWS USED IN FINANCING ACTIVITIES | (915,658) | 1,790,082 |
| CASH FROM INVESTING ACTIVITIES | | |
| Purchase of Tangible Capital Assets | (1,338,304) | (10,604,416) |
| (Increase) Decrease in Restricted Cash | (1,694) | (1,090) |
| CASH USED IN INVESTING ACTIVITIES | (1,339,998) | (10,605,506) |
| NET CASH INCREASE | (896,579) | (152,799) |
| CASH (BANK INDEBTEDNESS), beginning of year | (52,471) | 100,328 |
| CASH (BANK INDEBTEDNESS), end of year | \$ (949,050) | \$ (52,471) |
| Bank Balance (Indebtedness) consists of: | 2015 | 2014 |
| Cash in Bank | \$ - | \$ - |
| Restricted Cash | 24,352 | 22,658 |
| Bank Indebtedness | (973,402) | (75,129) |
| | \$ (949,050) | \$ (52,471) |

Supplementary Cash Flow Information:

| | | |
|-------------------|----------|----------|
| Interest Received | \$ 1,123 | \$ 1,091 |
| Interest Paid | 409,620 | 361,061 |

(The accompanying notes are an integral part of these financial statements.)

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

1. OPERATIONS

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

Basis of presentation

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

Reporting entity

The Ebb and Flow First Nation reporting entity includes the Ebb and Flow First Nation government and all related entities that are controlled by the First Nation.

Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis. These financial statements include the assets, liabilities, revenues and expenses of the following controlled entities:

- Ebb and Flow Health Authority Inc.
- Ebb and Flow Education Authority
- Ebb and Flow Housing Authority
- Ebb and Flow General Store
- Ebb and Flow VLT Operations
- Ebb and Flow Tobacco Shop
- Ebb and Flow First Nation/Minnissing Partnership
- Ebb and Flow Investment Group Inc.
- Ebb and Flow Gaming Commission

The First Nation does not have any commercial enterprises that meet the definition of a "government business enterprise".

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution. Tangible capital assets are amortized using the straight line method at rates intended to amortize the cost of the assets over their estimated useful lives:

| | |
|------------------------------|----------------------------|
| Buildings | 40 Years |
| CMHC Housing | annual principal reduction |
| Computer Equipment | 3 Years |
| Environmental Infrastructure | 40 Years |
| Equipment | 5 Years |
| Leasehold Improvements | 5 Years |
| Motor Vehicles | 5 Years |
| Roads and Street Lights | 40 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 First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying amount exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

Non-financial assets

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

Measurement uncertainty

The preparation of consolidated financial statements in accordance 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 expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of the related tangible capital assets. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Segments

The First Nation conducts its business through 9 reportable segments as reported below. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The First Nation's segments are as follows:

Governance and administration - reports on governance and administration activities

Social - reports on social assistance programs

Health - reports on health and wellness programs funded by FNIH

Housing - reports on activities related to developing and sustaining housing including CMHC subsidized housing

Economic Development - reports on services that facilitate economic development

Education - reports on the operations of education programs

Operations and Maintenance - reports on general operations and maintenance programs in the First Nation

Ottawa Trust - reports on funding held in the Ottawa Trust

Training and Other - reports on training and other activities

Inter-segment transfers are recorded at their exchange amount. 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.

Financial Instruments

Financial instruments include cash, restricted cash, accounts receivable, bank indebtedness, accounts payable and accruals and long-term debt. Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risk arising from the financial instruments.

Revenue recognition

Government transfer revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the statement of financial position in the year of receipt, and is matched with the related department expenses in the year of their occurrence. Other revenue is recognized by the First Nation when the services are provided or goods are shipped.

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Employee future benefits

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

3. RESTRICTED CASH

| | 2015 | 2014 |
|--------------|-----------|-----------|
| Ottawa Trust | \$ 24,352 | \$ 22,658 |

Ottawa Trust

The Ottawa Trust funds are held in trust in the consolidated revenue fund of the Government of Canada and subject to audit by the office of the Auditor General of Canada. Funds held in trust on behalf of First Nation members by the Government of Canada are reported on the statement of financial position with an offsetting amount in members' equity and consist of:

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

4. SHORT TERM INVESTMENTS

| | 2015 | 2014 |
|-----------------------|-----------|-----------|
| RBC Money Market Fund | \$ 49,603 | \$ 49,375 |
| RBC Money Market Fund | 682 | 679 |
| | \$ 50,285 | \$ 50,054 |

5. ACCOUNTS RECEIVABLE

| | 2015 | 2014 |
|-------------------------|------------|------------|
| AANDC, per confirmation | \$ 463,360 | \$ 265,181 |
| Other | 256,226 | 629,382 |
| | \$ 719,586 | \$ 894,563 |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

6. INVENTORY HELD FOR RESALE

| | 2015 | 2014 |
|----------------------------------|-------------------|-------------------|
| Tobacco | \$ 45,578 | \$ 43,305 |
| Supplies | 10,000 | 10,000 |
| Bingo Cards | 4,652 | 4,652 |
| Fuel and Confectionery Inventory | 99,428 | 98,291 |
| Livestock | 136,100 | 136,100 |
| | <u>\$ 295,758</u> | <u>\$ 292,348</u> |

Inventory or supplies and goods available for resale are recorded at the lower of cost and net realizable value.

7. ACCOUNTS PAYABLE

| | 2015 | 2014 |
|------------------------------|---------------------|---------------------|
| AANDC, prior year recoveries | \$ 128,752 | \$ 232,381 |
| Other | 2,468,612 | 2,987,761 |
| | <u>\$ 2,597,364</u> | <u>\$ 3,220,142</u> |

8. DEFERRED REVENUE

| | 2015 | 2014 |
|---------------------------------------|-------------------|-------------------|
| AANDC - Water and Wastewater < \$1.5M | \$ - | \$ 150,000 |
| FNIHB - Moveable Assets | 111,475 | - |
| | <u>\$ 111,475</u> | <u>\$ 150,000</u> |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

9. LONG TERM DEBT

| | 2015 | 2014 |
|---|--------------|--------------|
| Bank of Montreal (Facility #2) loan, originated March 2014 bearing interest at prime plus 2.00% per annum, repayable in monthly installments of \$52,083 plus interest. The loan matures on March 2018 and is secured by a first charge against the First Nation's own source revenues. | \$ 1,875,000 | \$ 2,500,000 |
| Bank of Montreal (Facility #3) loan, originated March 2014 bearing interest at prime plus 2.00% per annum, with monthly interest payments and no scheduled repayment of principal for 12 months. The principal will be repaid monthly during the remaining 36 months plus interest. The loan matures on March 2018 and is secured by a first charge against the First Nation's own source revenues. | 1,300,000 | 1,300,000 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.97% per annum, repayable in monthly blended payments of \$5,234. The loan matures on March 1, 2036 and is secured by a ministerial guarantee by the Government of Canada. | 991,533 | 1,045,955 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.56% per annum, repayable in monthly blended payments of \$4,819. The loan matures on December 1, 2035 and is secured by a ministerial guarantee by the Government of Canada. | 940,051 | 993,129 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.62% per annum, repayable in monthly blended payments of \$6,523. The loan matures on December 1, 2017 and is secured by a ministerial guarantee by the Government of Canada. | 210,298 | 304,308 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.62% per annum, repayable in monthly blended payments of \$1,155. The loan matures on February 1, 2023 and is secured by a ministerial guarantee by the Government of Canada. | 104,972 | 122,018 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.64% per annum, repayable in monthly blended payments of \$1,941. The loan matures on December 1, 2026 and is secured by a ministerial guarantee by the Government of Canada. | 252,683 | 279,534 |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

9. LONG TERM DEBT - continued

| | 2015 | 2014 |
|---|------------|------------|
| Canada Mortgage and Housing Corporation loan bearing interest at 2.57% per annum, repayable in monthly blended payments of \$2,350. The loan matures on December 1, 2029 and is secured by a ministerial guarantee by the Government of Canada. | \$ 350,898 | \$ 379,450 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.64% per annum, repayable in monthly blended payments of \$6,061. The loan matures on December 1, 2031 and is secured by a ministerial guarantee by the Government of Canada. | 1,077,105 | 1,156,292 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.62% per annum, repayable in monthly blended payments of \$5,283. The loan matures on March 1, 2033, and is secured by a ministerial guarantee by the Government of Canada. | 1,000,323 | 1,068,558 |
| Canada Mortgage and Housing Corporation loan bearing interest at 1.53% per annum, repayable in monthly blended payments of \$3,449. The loan matures on November 1, 2032 and is secured by a ministerial guarantee by the Government of Canada. | 647,475 | 692,688 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.17% per annum, repayable in monthly blended payments of \$3,127. The loan matures on January 1, 2034 and is secured by a ministerial guarantee by the Government of Canada. | 586,302 | 623,595 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.14% per annum, repayable in monthly blended payments of \$7,178. The loan matures on March 1, 2034 and is secured by a ministerial guarantee by the Government of Canada. | 1,358,655 | 1,444,368 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.87% per annum, repayable in monthly blended payments of \$5,134. The loan matures on November 1, 2034 and is secured by a ministerial guarantee by the Government of Canada. | 936,369 | 991,723 |
| Canada Mortgage and Housing Corporation loan bearing interest at 2.65% per annum, repayable in monthly blended payments of \$3,369. The loan matures on February 1, 2035 and is secured by a ministerial guarantee by the Government of Canada. | 632,230 | 669,405 |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

9. LONG TERM DEBT - continued

| | 2015 | 2014 |
|---|-----------|-----------|
| Canada Mortgage and Housing Corporation loan bearing interest at 3.1% per annum, repayable in monthly blended payments of \$1,484. The loan matures on January 1, 2018 and is secured by a ministerial guarantee by the Government of Canada. | \$ 48,296 | \$ 68,768 |
| Peace Hills Trust loan bearing interest at 5.7% per annum, repayable in monthly blended payments of \$2,376. The loan matures on April 1, 2019 and is secured by a ministerial guarantee by the Government of Canada. | - | 2,442 |
| Peace Hills Trust loan bearing interest at 5.7% per annum, repayable in monthly blended payments of \$4,969. The loan matures on April 1, 2019 and is secured by a ministerial guarantee by the Government of Canada. | - | 5,088 |
| Bank of Nova Scotia loan bearing interest at 5.19% per annum, repayable in monthly blended payments of \$1,507. The loan matures on April 1, 2016 and is secured by a ministerial guarantee by the Government of Canada. | 80,373 | 99,678 |
| Bank of Nova Scotia loan bearing interest at 5.39% per annum, repayable in monthly blended payments of \$3,000. The loan matures on September 1, 2016 and is secured by a ministerial guarantee by the Government of Canada. | 168,442 | 206,123 |
| Bank of Nova Scotia loan bearing interest at 5.29% per annum, repayable in monthly blended payments of \$7,391. The loan matures on August 1, 2016 and is secured by a ministerial guarantee by the Government of Canada. | 166,437 | 285,519 |
| Peace Hills Trust loan bearing interest at 4.84% per annum, repayable in monthly blended payments of \$5,027. The loan matures on October 1, 2019 and is secured by a ministerial guarantee by the Government of Canada. | 257,032 | 303,955 |
| Bank of Nova Scotia loan bearing interest at 5.29% per annum, repayable in monthly blended payments of \$3,056. The loan matures on January 1, 2017 and is secured by a ministerial guarantee by the Government of Canada. | 131,265 | 171,801 |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

9. LONG TERM DEBT - continued

| | 2015 | 2014 |
|---|----------------------|----------------------|
| Catalyst Credit Union loan bearing interest at 5.926% per annum, repayable in monthly blended payments of \$1,425 and is secured by a first charge on parcel A, B, and C, plan 28535 DLTO on NE 1/4 4-25-19W in the City of Dauphin. | 123,897 | 135,897 |
| First Peoples Development Inc. demand loan bearing no interest, repayable in monthly payments of \$2,500 and is secured by inventory and equipment using in the operation of the store. | 142,500 | 172,500 |
| Communities Economic Development Fund demand loan bearing interest of 6.00%, repayable in semi-annual blended payments of \$19,387 on July 1st and \$58,161 on October 1st. The loan is secured by the assets held by the Ebb and Flow Investment Group Inc.. | 725,000 | - |
| | \$ 14,107,136 | \$ 15,022,794 |

Principal repayments on long-term debt in each of the next five years are estimated as follows:

| | |
|------------|--------------|
| 2015-16 | \$ 1,859,727 |
| 2016-17 | 1,861,691 |
| 2017-18 | 1,774,899 |
| 2018-19 | 640,257 |
| 2019-20 | 557,735 |
| Thereafter | 7,412,827 |

10. ACCUMULATED SURPLUS

Accumulated surplus includes \$24,352 (2013/14 - \$22,658) relating to Ottawa Trust Funds.

11. DEFERRED FINANCE CHARGES

In March of 2014, the First Nation received approval for \$10.8 million in financing from the Bank of Montreal through the services provided by a commercial loan broker. The approved credit facilities consist of: (i) \$7.0 million non-revolving demand loan for the purpose of financing the construction of a commercial building on-reserve, (ii) \$2.5 million non-revolving demand loan to consolidated existing long term debt, and (iii) \$1.3 million non-revolving demand loan to consolidate outstanding debts owed to various trade creditors. Prior to March 31, 2014 the Bank of Montreal had advanced the \$2.5 million and the \$1.3 million demand loans. As of March 31, 2015, the Bank of Montreal had not advanced the \$7.0 million non-revolving demand loan.

The cost of securing these credit facilities totalled \$621,750. This cost will be amortized over the terms of the demand loans starting when the first payment is due in April 2014.

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

12. EXPENSES BY OBJECT

| | 2015 | 2014 |
|------------------------------|----------------------|----------------------|
| Amortization | \$ 2,608,161 | \$ 1,928,524 |
| Interest | 409,620 | 485,436 |
| Member Services and Support | 555,739 | 815,569 |
| Purchased Goods and Services | 8,941,513 | 10,617,393 |
| Salaries and Benefits | 9,364,493 | 8,577,883 |
| Social Assistance | 3,891,076 | 4,008,055 |
| Training | 529,585 | 394,374 |
| Travel | 561,248 | 580,332 |
| | \$ 26,861,435 | \$ 27,407,566 |

13. EXCESS (DEFICIENCY) OF FUNDING OVER EXPENSES AND TANGIBLE CAPITAL ASSET PURCHASES BY SEGMENT

| | Surplus/ (Deficit) | Amortization of Tangible Capital Assets | Tangible Capital Asset Purchases | Excess/ (Deficiency) of Funding after Tangible Capital Asset Purchases |
|-------------------------------|-----------------------|---|---|---|
| Governance and Administration | \$ (190,897) | \$ - | \$ - | \$ (190,897) |
| Social | 50,430 | - | - | 50,430 |
| Health | (40,976) | 45,547 | (10,818) | (6,247) |
| Housing | (198,629) | 972,291 | - | 773,662 |
| Economic Development | (152,744) | - | - | (152,744) |
| Education | 435,784 | 57,203 | - | 492,987 |
| Operations and Maintenance | (414,923) | 1,521,753 | (1,327,486) | (220,656) |
| Ottawa Trust | 1,694 | - | - | 1,694 |
| Training and Other | 489,131 | 11,367 | - | 500,498 |
| | \$ (21,130) | \$ 2,608,161 | \$ (1,338,304) | \$ 1,248,727 |

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

14. CONTINGENT LIABILITIES

Potential Government Funding Recoveries

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year end, AANDC confirmed that \$Nil, other than amounts already included in accounts payable and accruals, might be recovered by these federal government agencies.

Economic Dependence

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

15. COMMITMENTS

CMHC Replacement Reserve

Under the terms of the operating agreements with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited an annual amount based on the number and type of houses available for use. These funds, along with accumulated interest, 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 First Nation is currently in contravention of its major funding agreement with CMHC. At March 31, 2015 the specified replacement reserve bank account was underfunded by \$1,240,561 (2013/14 - \$1,111,996). On October 30, 2015, The First Nation deposited \$1,240,561 in a separate interest bearing account designated as the CMHC replacement reserve account.

Dauphin Lake Golf and Country Club

On June 1, 2014, the First Nation made a formal offer to purchase from the owners of the Dauphin Lake Golf and Country Club the land, buildings, and equipment for \$1,350,000 conditional on being able to secure the necessary capital by October 15, 2014. On October 15, 2014, the First Nation had paid \$145,000 of the agreed upon purchase price to the vendor. The vendor agreed to extend the agreement indefinitely to allow the First Nation additional time to secure capital for the purchase. By March 31, 2015, the First Nation had forwarded \$890,000 to the vendor for the purchase and for incidental costs relating to the transaction.

The transfer of title to the assets occurred on June 19, 2015 after the First Nation paid the remaining balance on the purchase in full.

EBB AND FLOW FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

16. SUBSEQUENT EVENTS

The First Nation was approved for a loan of \$17.5 million from the First Nation Financial Authority. As of October 2015, \$3.175 million was used to retire loans held by the Bank of Montreal and \$1.24 million was used to fund the CMHC replacement reserve. The remaining funds will be used to maintain and expand infrastructure and develop future economic opportunities that will be of a benefit to the First Nation.

17. FEDERAL ASSISTANCE PAYMENTS

The First Nation has received federal assistance through Canada Mortgage and Housing Corporation pursuant to Section 95 of the National Housing Act to reduce the mortgage interest expense to 2.0% to enable the First Nation to provide housing to low income individuals.

18. DEFINED CONTRIBUTION PENSION PLAN

The First Nation has a defined contribution pension plan covering all full-time employees in the Governance/Administration and Education segments. The First Nation remits monthly contributions to the administrator of the plan and remittances were current at year end.

19. COMPARATIVE FIGURES

Prior year's figures reported on the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows have been revised to reflect that the CMHC replacement reserve was never funded in cash as previously disclosed. The effect of the restatement as at March 31, 2014 is a decrease to restricted cash of \$1,111,996 and a decrease to bank indebtedness of \$1,111,996.

20. BUDGET INFORMATION

The budget figures are presented as supplementary information to the financial statements and have not been audited.

EBB AND FLOW FIRST NATION

SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED MARCH 31, 2015

| | Land and Land Improvements | Roads | Environmental Infrastructure | Buildings and Other Housing | CMHC Housing | Vehicles | Equipment | Computer Equipment | Leasehold Improvements | 2015 | 2014 |
|---|----------------------------------|--------------|---------------------------------|--------------------------------------|-----------------|--------------|--------------|-----------------------|---------------------------|---------------|---------------|
| COST | | | | | | | | | | | |
| Balance, Beginning of Year | \$ 1,219,046 | \$ 3,418,618 | \$ 5,737,251 | \$ 47,518,671 | \$ 19,012,480 | \$ 1,627,767 | \$ 2,912,873 | \$ 99,524 | \$ 36,341 | \$ 81,582,571 | \$ 70,978,155 |
| Acquisitions | 1,061,119 | - | - | 108,367 | - | - | 167,619 | 1,199 | - | 1,336,304 | 10,604,416 |
| Disposals & Write Downs | - | - | - | - | - | (453,218) | - | - | - | (453,218) | - |
| Balance, End of Year | 2,280,165 | 3,418,618 | 5,737,251 | 47,627,038 | 19,012,480 | 1,174,549 | 3,080,492 | 100,723 | 36,341 | 82,467,657 | 81,582,571 |
| ACCUMULATED AMORTIZATION | | | | | | | | | | | |
| Balance, Beginning of Year | - | 2,037,660 | 2,624,275 | 28,659,415 | 5,819,993 | 1,196,558 | 2,562,647 | 98,308 | 36,341 | 43,235,197 | 41,306,673 |
| Amortization | - | 83,372 | 143,431 | 1,190,588 | 972,291 | 97,055 | 120,008 | 1,416 | - | 2,608,161 | 1,928,524 |
| Disposals & Write Downs | - | - | - | - | - | (453,218) | - | - | - | (453,218) | - |
| Balance, End of Year | - | 2,121,032 | 2,967,706 | 29,850,003 | 6,792,284 | 840,395 | 2,682,655 | 99,724 | 36,341 | 45,390,140 | 43,235,197 |
| NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS | \$ 2,280,165 | \$ 1,297,586 | \$ 2,769,545 | \$ 17,777,035 | \$ 12,220,196 | \$ 334,154 | \$ 397,837 | \$ 999 | \$ - | \$ 37,077,517 | \$ 38,347,374 |
| 2014 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS | \$ 1,219,046 | \$ 1,380,958 | \$ 2,912,976 | \$ 18,859,256 | \$ 13,192,487 | \$ 431,209 | \$ 350,226 | \$ 1,216 | \$ - | | |

EBB AND FLOW FIRST NATION

SCHEDULE 2 - CONSOLIDATED SUMMARY SCHEDULE OF SEGMENT REVENUE AND EXPENSES FOR THE YEAR ENDED MARCH 31, 2015

| | Schedule # | AANDC Revenue | Other Revenue | Deferred Revenue | Total Revenue | Total Expenses | Transfers | 2015 | 2014 |
|-------------------------------|------------|---------------|---------------|------------------|---------------|-----------------|------------|--------------|----------------|
| Governance and Administration | 2 | \$ 728,041 | \$ 156,618 | \$ - | \$ 884,659 | \$ (1,179,185) | \$ 103,629 | \$ (190,897) | \$ (1,625,488) |
| Social Assistance | 3 | 4,063,584 | 99,811 | - | 4,163,395 | (4,112,965) | - | 50,430 | (28,718) |
| Health | 4 | - | 2,160,402 | - | 2,160,402 | (2,201,378) | - | (40,976) | 239,523 |
| Housing | 5 | - | 1,469,910 | - | 1,469,910 | (1,668,539) | - | (198,629) | 393,095 |
| Economic Development | 6 | 101,240 | 5,244 | - | 106,484 | (259,228) | - | (152,744) | (85,708) |
| Education | 7 | 5,484,121 | 1,235,839 | - | 6,719,960 | (6,180,547) | (103,629) | 435,784 | (693,508) |
| Operations and Maintenance | 8 | 2,526,869 | 260,717 | 150,000 | 2,937,586 | (3,352,509) | - | (414,923) | 8,047,904 |
| Ottawa Trust | 9 | - | 1,694 | - | 1,694 | - | - | 1,694 | 1,091 |
| Training and Other | 10 | - | 8,396,215 | - | 8,396,215 | (7,907,084) | - | 489,131 | (340,108) |
| | | \$ 12,903,855 | \$ 13,786,450 | \$ 150,000 | \$ 26,840,305 | \$ (26,861,435) | \$ - | \$ (21,130) | \$ 5,908,083 |

EBB AND FLOW FIRST NATION

SCHEDULE 3 - GOVERNANCE AND ADMINISTRATION

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|----------------|----------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 551,857 | \$ 728,041 | \$ 650,484 |
| AANDC Recoveries | - | (103,629) | (104,128) |
| Administrative Fees | - | 37,011 | 37,011 |
| Other | 133,307 | 203,580 | 100,065 |
| Rent | - | 19,656 | 26,978 |
| | 685,164 | 884,659 | 710,410 |
| EXPENSES | | | |
| Advertising and Promotion | 6,000 | - | 585 |
| Band Member Support | - | 2,065 | 77,575 |
| Bank Charges and Interest | 3,000 | 23,022 | 117,501 |
| Chief and Council Honoraria | 337,870 | 342,838 | 363,590 |
| Chief and Council Travel | - | 103,738 | 133,376 |
| Food | - | 916 | 2,116 |
| Insurance | 14,400 | - | 21,102 |
| Office | 12,000 | 19,248 | 32,621 |
| Professional Fees | 126,000 | 343,872 | 1,015,080 |
| Repairs and Maintenance | - | 8,673 | 10,746 |
| Salaries and Benefits | 162,759 | 216,891 | 323,510 |
| Trucking and Freight | 1,800 | 873 | 2,073 |
| Telephone | 30,000 | 48,860 | 63,552 |
| Training | 12,000 | 26,597 | 8,801 |
| Travel | 42,000 | 32,244 | 80,159 |
| Utilities | - | 9,348 | 16,268 |
| | 747,829 | 1,179,185 | 2,268,655 |
| ANNUAL DEFICIT BEFORE TRANSFERS | (62,665) | (294,526) | (1,558,245) |
| TRANSFERS | - | 103,629 | (67,243) |
| ANNUAL DEFICIT | \$ (62,665) | (190,897) | (1,625,488) |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | | (2,600,083) | (974,595) |
| ACCUMULATED DEFICIT, END OF YEAR | | \$ (2,790,980) | \$ (2,600,083) |

EBB AND FLOW FIRST NATION

SCHEDULE 4 - SOCIAL ASSISTANCE

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|--|-------------------------------|--------------|--------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 4,066,704 | \$ 4,063,584 | \$ 4,133,704 |
| Province of Manitoba | 96,000 | 98,582 | 77,552 |
| Other Revenue | - | 1,229 | - |
| | 4,162,704 | 4,163,395 | 4,211,256 |
| EXPENSES | | | |
| Administration Fees | - | - | 982 |
| Bank Charges and Interest | - | 10,736 | 10,299 |
| Basic Needs | 2,856,000 | 2,535,486 | 2,551,643 |
| Burials | 18,000 | 7,828 | 12,059 |
| CMHC Shelter Allowance | 520,000 | 486,700 | 599,251 |
| Community Activities | - | 10,436 | 5,279 |
| Office | 8,800 | 8,838 | 12,717 |
| Repairs and Maintenance | - | 1,700 | 1,115 |
| Salaries and Benefits | 174,339 | 180,513 | 178,774 |
| Special Needs | 112,800 | 114,428 | 106,180 |
| Training | 6,000 | 5,206 | - |
| Travel | 6,000 | 4,460 | 6,195 |
| User Fee | - | 327 | - |
| Utilities | 480,000 | 746,307 | 738,922 |
| | 4,181,939 | 4,112,965 | 4,223,416 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | (19,235) | 50,430 | (12,160) |
| TRANSFERS | - | - | (16,558) |
| ANNUAL SURPLUS (DEFICIT) | \$ (19,235) | 50,430 | (28,718) |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | | (108,296) | (79,578) |
| ACCUMULATED DEFICIT, END OF YEAR | | \$ (57,866) | \$ (108,296) |

EBB AND FLOW FIRST NATION

SCHEDULE 5 - HEALTH

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|--|-------------------------------|--------------|--------------|
| REVENUE | | | |
| First Nation and Inuit Health (FNIH) | \$ 1,697,345 | \$ 2,083,846 | \$ 2,146,170 |
| Administration Fees | - | 68,200 | 119,211 |
| Other | - | 119,831 | 16,753 |
| Revenue Deferred to Subsequent Year-Note 8 | - | (111,475) | - |
| | 1,697,345 | 2,160,402 | 2,282,134 |
| EXPENSES | | | |
| Accommodations | 22,000 | 25,380 | 16,178 |
| Administration Fees | 20,777 | 68,376 | 118,229 |
| Amortization | - | 45,547 | 27,732 |
| Alarm | 4,500 | 1,605 | 361 |
| Auto | 62,700 | 129,734 | 181,796 |
| Bank Charges and Interest | 6,300 | 8,888 | 9,304 |
| Community Events | 9,168 | 3,579 | 625 |
| Food | 6,000 | 2,921 | 2,941 |
| Honorariums | 2,000 | 49,381 | 7,976 |
| Insurance | 39,228 | 1,042 | 1,809 |
| Memberships | - | 4,137 | 1,360 |
| Mental Health | 5,728 | 75,981 | 58,990 |
| Miscellaneous | 75,500 | 4,369 | 13,606 |
| Office | 9,400 | 34,114 | 15,700 |
| Professional Fees | 43,342 | 83,006 | - |
| Repairs and Maintenance | 5,144 | 25,041 | 17,497 |
| Rent | 14,400 | 14,400 | 14,400 |
| Salaries and Benefits | 344,055 | 1,235,335 | 1,118,675 |
| Supplies | 82,060 | 14,213 | 5,455 |
| Telephone | 22,500 | 18,830 | 19,036 |
| Training | 22,511 | 111,967 | 144,150 |
| Travel | 48,200 | 230,462 | 133,234 |
| Utilities | 12,400 | 13,070 | 19,998 |
| | 857,913 | 2,201,378 | 1,929,052 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 839,432 | (40,976) | 353,082 |
| TRANSFERS | - | - | (113,559) |
| ANNUAL SURPLUS (DEFICIT) | \$ 839,432 | (40,976) | 239,523 |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | | (85,260) | (324,783) |
| ACCUMULATED DEFICIT, END OF YEAR | | \$ (126,236) | \$ (85,260) |

EBB AND FLOW FIRST NATION

SCHEDULE 6 - HOUSING

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|--|-------------------------------|--------------|--------------|
| REVENUE | | | |
| Canada Mortgage and Housing Corporation (CMHC) | \$ 780,000 | \$ 647,781 | \$ 748,076 |
| Shelter Allowance | 930,000 | 822,129 | 1,106,209 |
| | 1,710,000 | 1,469,910 | 1,854,285 |
| EXPENSES | | | |
| Administration | 6,000 | - | 2,205 |
| Amortization | - | 972,291 | 340,441 |
| Bank Charges and Interest | 4,560 | 1,570 | 4,279 |
| Insurance | 222,000 | 67,175 | 317,512 |
| Interest on Long Term Debt | - | 207,055 | 287,353 |
| Office | 2,400 | 1,076 | 1,190 |
| Professional Fees | 12,000 | - | 11,320 |
| Repairs and Maintenance | 372,000 | 284,684 | 298,527 |
| Salaries and Benefits | 106,434 | 107,801 | 111,026 |
| Travel | 18,000 | 25,069 | 27,503 |
| Utilities | 18,000 | 1,818 | 6,435 |
| | 761,394 | 1,668,539 | 1,407,791 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 948,606 | (198,629) | 446,494 |
| TRANSFERS | - | - | (53,399) |
| ANNUAL SURPLUS (DEFICIT) | \$ 948,606 | (198,629) | 393,095 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 1,414,762 | 1,021,667 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 1,216,133 | \$ 1,414,762 |

EBB AND FLOW FIRST NATION

SCHEDULE 7 - ECONOMIC DEVELOPMENT

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|--------------|--------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 101,240 | \$ 101,240 | \$ 128,940 |
| Manitoba Bison Association | 66,000 | 5,244 | 14,427 |
| | 167,240 | 106,484 | 143,367 |
| EXPENSES | | | |
| Bank Charges and Interest | 9,600 | 7,868 | 14,071 |
| Feed | 15,000 | 6,759 | 3,000 |
| Fuel | 3,600 | 594 | 4,287 |
| Insurance | 3,000 | - | - |
| Office | 3,000 | - | - |
| Professional Fees | 24,000 | 1,500 | 67,448 |
| Property Taxes | - | 2,888 | 2,617 |
| Other | 6,000 | - | - |
| Rent | - | 15,265 | 3,160 |
| Repairs and Maintenance | - | 5,245 | 3,692 |
| Salaries and Benefits | 42,640 | 205,103 | 110,203 |
| Telephone | 1,260 | 1,921 | 2,007 |
| Training | - | - | 944 |
| Travel | 3,600 | 6,895 | 14,941 |
| Trucking and Freight | - | 151 | 438 |
| Utilities | 4,200 | 5,039 | 2,267 |
| | 115,900 | 259,228 | 229,075 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 51,340 | (152,744) | (85,708) |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | \$ 51,340 | (152,744) | (85,708) |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | | (275,117) | (189,409) |
| ACCUMULATED DEFICIT, END OF YEAR | | \$ (427,861) | \$ (275,117) |

EBB AND FLOW FIRST NATION

SCHEDULE 8 - EDUCATION

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|--|-------------------------------|--------------|--------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 5,235,019 | \$ 5,484,121 | \$ 5,226,357 |
| AANDC Recoveries | - | - | (183,669) |
| Frontier School Division | 951,846 | 1,169,872 | 953,290 |
| Other | - | 34,500 | 24,282 |
| Rent | - | 31,467 | 31,150 |
| | 6,186,865 | 6,719,960 | 6,051,410 |
| EXPENSES | | | |
| Advertising and Promotion | - | 781 | 260 |
| Amortization | - | 57,203 | 175,048 |
| Awards And Incentives | 51,000 | 16,694 | 102,596 |
| Donations | - | 6,418 | 7,608 |
| Equipment Rental | 45,000 | 56,279 | 47,784 |
| Fuel | 75,000 | 60,799 | 71,743 |
| Insurance | 9,500 | 7,947 | 9,205 |
| Interest and Bank Charges | 9,000 | 16,082 | 16,392 |
| Office | 30,000 | 1,134 | 6,025 |
| Other Honoraria | - | 7,700 | 6,500 |
| Other | 3,600 | - | - |
| Parent Fees | 15,000 | 59,404 | 48,330 |
| Private Home Placements | 5,675 | 14,875 | 15,225 |
| Professional Fees | 40,000 | 164,147 | 74,193 |
| Repairs and Maintenance | 27,000 | 85,468 | 104,569 |
| Salaries and Benefits | 4,144,569 | 4,364,147 | 4,526,272 |
| School Activities | 58,000 | 55,792 | 59,688 |
| Student Allowances | 272,000 | 351,301 | 369,411 |
| Supplies | 207,146 | 225,299 | 219,195 |
| Tuition | 388,000 | 335,727 | 341,568 |
| Telephone | 58,760 | - | 31,713 |
| Training | 92,400 | 107,772 | 37,822 |
| Travel | 71,400 | 47,777 | 69,385 |
| Utilities | 99,400 | 137,801 | 103,682 |
| | 5,702,450 | 6,180,547 | 6,444,214 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 484,415 | 539,413 | (392,804) |
| TRANSFERS | - | (103,629) | (300,704) |
| ANNUAL SURPLUS (DEFICIT) | \$ 484,415 | 435,784 | (693,508) |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 1,230,965 | 1,924,473 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 1,666,749 | \$ 1,230,965 |

EBB AND FLOW FIRST NATION

SCHEDULE 9 - OPERATIONS AND MAINTENANCE

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|---------------|---------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 1,090,619 | \$ 2,526,869 | \$ 7,859,256 |
| MANFF | - | 94,368 | - |
| User Fees | - | 48,828 | 43,456 |
| Rent | - | 102,144 | - |
| Other | - | 15,377 | - |
| Revenue Deferred in Prior Year - Note 8 | - | 150,000 | 2,826,915 |
| Revenue Deferred to Subsequent Year-Note 8 | - | - | (150,000) |
| | 1,090,619 | 2,937,586 | 10,579,627 |
| EXPENSES | | | |
| Amortization | - | 1,521,751 | 1,373,936 |
| Auto | 18,000 | 58,856 | 1,296 |
| Chief and Council Honoraria | 18,000 | - | 13,370 |
| Freight and Delivery | - | 3,526 | 687 |
| Fuel | 29,100 | 83,162 | - |
| Insurance | 180,000 | 13,772 | 47,345 |
| Interest on Long Term Debt | - | - | 3,660 |
| Professional Fees | 12,000 | 350 | - |
| Office | 4,200 | 347 | 1,612 |
| Repairs and Maintenance | 79,800 | 347,613 | 586,038 |
| Salaries and Benefits | 378,686 | 1,250,749 | 422,255 |
| Supplies | - | 1,794 | 5,185 |
| Telephone | - | 9,681 | 9,390 |
| Training | - | - | 700 |
| Travel | 18,000 | 26,423 | 19,599 |
| Equipment Rental | - | 3,450 | - |
| Utilities | 43,200 | 31,035 | 46,650 |
| | 780,986 | 3,352,509 | 2,531,723 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 309,633 | (414,923) | 8,047,904 |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | \$ 309,633 | (414,923) | 8,047,904 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 21,554,962 | 13,507,058 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 21,140,039 | \$ 21,554,962 |

EBB AND FLOW FIRST NATION

SCHEDULE 10 - OTTAWA TRUST

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|-----------|-----------|
| REVENUE | | | |
| Interest | \$ - | \$ 894 | \$ 1,091 |
| Rent | - | 800 | - |
| | - | 1,694 | 1,091 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | - | 22,659 | 21,568 |
| ACCUMULATED SURPLUS, END OF YEAR | \$ - | \$ 24,353 | \$ 22,659 |

EBB AND FLOW FIRST NATION

SCHEDULE 11 - TRAINING AND OTHER

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|------------|------------|
| REVENUE | | | |
| First People Development Inc. | \$ - | \$ 708,030 | \$ 612,030 |
| Gas And Confectionary | - | 3,943,654 | 3,721,590 |
| Tobacco Product Sales | 660,000 | 533,098 | 532,506 |
| Restaurant Sales | 448,000 | 440,226 | 455,515 |
| Bingo Product Sales | - | 39,225 | 40,708 |
| Other | - | 10,214 | 36,416 |
| Province of Manitoba | - | 1,306,520 | 619,329 |
| Fuel Tax Rebates | - | 251,545 | 243,629 |
| ATM Fees | 16,000 | 48,166 | 89,044 |
| VLT Proceeds | 930,000 | 1,016,772 | 1,062,257 |
| Parent Fees | - | 98,765 | 69,045 |
| | 2,054,000 | 8,396,215 | 7,482,069 |
| EXPENSES | | | |
| Amortization | - | 11,367 | 11,367 |
| Advertising and Promotion | - | 18,084 | 12,853 |
| Awards And Incentives | 10,000 | - | 6,100 |
| Band Member Support | 116,700 | 553,674 | 682,056 |
| Bad Debts | - | 5,179 | 81,784 |
| Bingo Cards | - | 12,304 | 18,991 |
| Community Events | 251,000 | 127,228 | 120,814 |
| Donations | 297,000 | 2,400 | - |
| Food | - | 235,364 | 268,098 |
| Gas And Grocery Purchases | - | 3,659,528 | 3,257,924 |
| Honorariums | - | 16,707 | 17,271 |
| Insurance | - | 6,732 | 907 |
| Interest and Bank Charges | 9,000 | 20,765 | 22,577 |
| Interest on Long Term Debt | - | 358,003 | - |
| Management Contract | - | 4,800 | 607,863 |
| MLC Commissions | - | 171,116 | 225,146 |
| Office | 1,200 | 24,123 | 22,928 |
| Other | - | 4,161 | 15,063 |
| Professional Fees | 18,500 | 119,185 | 17,100 |
| Repairs & Maintenance | 63,300 | 21,300 | 108,218 |
| Salaries and Benefits | 803,352 | 1,411,735 | 1,787,168 |
| School Activities | 41,000 | 4,870 | 3,950 |
| Supplies | 47,400 | 16,177 | 18,278 |
| Telephone | 9,300 | 17,192 | 16,909 |
| Tobacco Product Purchases | - | 628,267 | 688,146 |
| Training | 17,000 | 278,043 | 201,357 |
| Travel | 47,500 | 88,640 | 95,940 |
| Utilities | 10,790 | 90,140 | 65,032 |
| | 1,743,042 | 7,907,084 | 8,373,640 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 310,958 | 489,131 | (891,571) |
| TRANSFERS | - | - | 551,463 |
| ANNUAL SURPLUS (DEFICIT) | \$ 310,958 | 489,131 | (340,108) |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | 510,169 | 850,277 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 999,300 | \$ 510,169 |

