

**Pine Creek First Nation  
Consolidated Financial Statements**  
*March 31, 2016*

**Pine Creek First Nation**  
**Contents**  
*For the year ended March 31, 2016*

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## **Management's Responsibility**

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To the Members of Pine Creek First Nation:

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

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

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of the Members 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.

October 20, 2016



## Independent Auditors' Report

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To the Members of Pine Creek First Nation:

We have audited the accompanying consolidated financial statements of Pine Creek First Nation, which comprise the consolidated statement of financial position as at March 31, 2016, 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 qualified audit opinion.

### *Basis for Qualified Opinion*

Pine Creek First Nation entered into a business venture with Breezy North Construction Inc. under their economic development department called Pine Creek First Nation C1 Joint Venture. Because not all of the supporting expense invoices of the business venture for the years ended March 31, 2015 and March 31, 2016 were available for audit verification, we were unable to determine if any adjustments were required due to the uncertainty of existence and completeness of accounts payable, contracted services expense, and accumulated surplus beginning of year and end of year for the years ended March 31, 2015 and 2016.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described above in the Basis for Qualified Opinion paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of Pine Creek First Nation as at March 31, 2016, 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

October 20, 2016

**MNP LLP**

Chartered Professional Accountants

**Pine Creek First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

	2016	2015 (Restated)
<b>Financial assets</b>		
Cash	425,917	39,825
Accounts receivable (Note 3)	6,621,896	1,841,230
Inventory for resale (Note 4)	72,724	-
Restricted cash (Note 5)	163,689	162,736
	7,284,226	2,043,791
<b>Liabilities</b>		
Accounts payable and accruals (Note 6)	7,302,771	2,525,514
Deferred revenue (Note 7)	35,855	51,096
Promissory note payable (Note 8)	240,000	-
Long-term debt (Note 9)	5,222,033	2,811,173
	12,800,659	5,387,783
<b>Net debt</b>	(5,516,433)	(3,343,992)
<b>Contingent liabilities (Note 10)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	22,746,583	19,519,968
Prepaid expenses	7,230	300
	22,753,813	19,520,268
<b>Accumulated surplus (Note 11)</b>	17,237,380	16,176,276

Approved on behalf of the Chief and Council

Craig \_\_\_\_\_ Chief  
James \_\_\_\_\_ Councillor

John \_\_\_\_\_

Councillor  
Councillor

**Pine Creek First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

	<i>Schedules</i>	<b>2016 Budget</b>	<b>2016</b>	<b>2015 (Restated)</b>
<b>Revenue</b>				
Indigenous and Northern Affairs Canada (INAC) (Note 13)		7,203,652	7,643,058	9,010,198
First Nations and Inuit Health (FNIH) (Note 14)		1,446,237	1,504,117	1,418,883
First Peoples Development Inc.		629,679	704,517	603,280
Canada Mortgage and Housing Corporation (CMHC)		295,736	268,169	282,833
Province of Manitoba		405,309	811,104	529,705
Government of Canada		-	70,301	33,625
Repayable to INAC		-	(96,092)	(40,898)
Repayable to FNIH		-	(3,289)	(5,135)
		9,980,613	10,901,885	11,832,491
Manitoba Hydro		-	8,210,357	2,422,673
VLT revenue, net of payouts		714,113	840,921	765,352
Red Sun Gas Bar sales		-	723,074	-
Rental income		527,659	482,868	471,848
Other revenue		142,155	448,653	406,568
Reduction in prior year INAC recoveries		-	448,855	-
Community development initiative		-	142,554	142,544
Enbridge revenue		-	72,500	-
Residential Rehabilitation Assistance Program		-	17,545	77,455
Interest income		4,024	953	1,903
Deferred revenue from prior year (Note 7)		70,500	51,096	475,227
Deferred revenue to subsequent year (Note 7)		-	(35,855)	(51,096)
		11,439,064	22,305,406	16,544,965
<b>Segment expenses</b>				
Band Governance	4	782,521	1,045,245	1,161,870
Education	5	3,564,953	3,852,246	4,544,127
Social Services	6	2,109,978	2,252,973	2,366,335
Community Infrastructure	7	1,132,497	1,468,689	2,305,488
Employment Training and Day Care	8	660,665	684,949	521,374
Community Wellness	9	1,472,011	1,508,022	1,517,966
Housing	10	516,226	579,637	588,110
Economic Development	11	1,090,756	9,779,968	3,805,569
<b>Total expenses (Schedule 2)</b>		11,329,607	21,171,729	16,810,839
<b>Surplus (deficit) before other items</b>		109,457	1,133,677	(265,874)
<b>Other items</b>				
Loss on disposal of tangible capital assets		-	(72,573)	-
<b>Surplus (deficit)</b>		109,457	1,061,104	(265,874)
<b>Accumulated surplus, beginning of year, as previously stated</b>		16,176,276	16,021,598	16,383,660
Correction of an error (Note 16)		-	154,678	58,490
<b>Accumulated surplus, beginning of year, as restated</b>		16,176,276	16,176,276	16,442,150
<b>Accumulated surplus, end of year</b>		16,285,733	17,237,380	16,176,276

*The accompanying notes are an integral part of these consolidated financial statements*

**Pine Creek First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b> ( <i>Restated</i> )
<b>Surplus (deficit)</b>	<b>109,457</b>	<b>1,061,104</b>	(265,874)
Purchases of tangible capital assets	-	(4,306,530)	(320,967)
Amortization of tangible capital assets	649,318	1,007,342	979,563
Acquisition of prepaid expenses	-	(6,930)	(300)
Use of prepaid expense	-	-	31,741
Proceeds of disposal of tangible capital assets	-	-	25,000
Loss (gain) on sale of tangible capital assets	-	72,573	(25,000)
Write-down of tangible capital assets	-	-	16,345
<b>Decrease (increase) in net debt</b>	<b>758,775</b>	<b>(2,172,441)</b>	440,508
<b>Net debt, beginning of year</b>	<b>(3,343,992)</b>	<b>(3,343,992)</b>	(3,784,500)
<b>Net debt, end of year</b>	<b>(2,585,217)</b>	<b>(5,516,433)</b>	(3,343,992)

*The accompanying notes are an integral part of these consolidated financial statements*

**Pine Creek First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

	<b>2016</b>	<b>2015</b>
	<i>(Restated)</i>	
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Cash receipts from contributors	17,435,974	16,328,053
Cash paid to suppliers	(11,765,686)	(12,476,859)
Cash paid to employees	(3,538,135)	(3,433,051)
Interest income	953	1,903
Interest on long-term debt	(90,391)	(66,101)
	<b>2,042,715</b>	353,945
<b>Financing activities</b>		
Advances of current portion of long-term debt	2,923,522	-
Repayment of current portion of long-term debt	(512,662)	(581,831)
Advance of promissory note payable	240,000	-
	<b>2,650,860</b>	(581,831)
<b>Capital activities</b>		
Purchases of tangible capital assets	(4,306,530)	(320,967)
Proceeds of disposal of tangible capital assets	-	25,000
	<b>(4,306,530)</b>	(295,967)
<b>Investing activities</b>		
Decrease (increase) in restricted cash	(953)	98,800
Proceeds on disposal of temporary investment	-	103,760
	<b>(953)</b>	202,560
<b>Increase (decrease) in cash resources</b>	<b>386,092</b>	(321,293)
<b>Cash resources, beginning of year</b>	<b>39,825</b>	361,118
<b>Cash resources, end of year</b>	<b>425,917</b>	39,825

*The accompanying notes are an integral part of these consolidated financial statements*

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Operations**

The Pine Creek First Nation (the "First Nation") is located in the Province of Manitoba, and provides various services to its Members. Pine Creek First Nation reporting entity includes all related entities that are accountable to the First Nation and 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:

***Reporting entity***

The Pine Creek First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. Trusts administered on behalf of third parties by Pine Creek First Nation are excluded from the First Nation reporting entity.

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

- Pine Creek First Nation
- Pine Creek First Nation CMHC Housing
- Pine Creek First Nation Health Authority
- Pine Creek First Nation Employment Training and Daycare
- Pine Creek First Nation Economic Development Corporation
- Pine Creek First Nation VLT Operation
- Pine Creek First Nation Tobacco
- Pine Creek First Nation Red Sun Smoke Shop & Gas Bar
- Minnissing Anishinabeh Ayaahwim Ltd.
- Pine Creek First Nation C1 Joint Venture

All inter-entity balances have been eliminated on consolidation.

***Basis of presentation***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Cash***

Cash 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.

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

***Funds held in Trust***

Funds held in trust on behalf of First 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 First Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

***Net debt***

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

***Asset classification***

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

***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 declining balance method at the following rates which are intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Vehicles and equipment	declining balance	20 %
Facilities	declining balance	4 %
Roads and bridges	declining balance	4 %
Infrastructure	declining balance	4 %
CMHC Housing	declining balance	5 %
Band Housing	declining balance	5 %

Amortization is not calculated on construction in progress and does not begin until the related tangible capital asset is available for use.

***Long-lived assets***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the assets' carrying value exceeds the residual value of the assets' service potential to the First Nation. Any impairment is included in operations for the year.

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

***Inventory***

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

***Revenue recognition***

Government transfer revenue, including Indigenous and Northern Affairs Canada (INAC), First Nations and Inuit Health (FNIH), Canada Mortgage and Housing Corporation (CMHC), First Peoples Development Inc., Manitoba Hydro and Province of Manitoba funding is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the 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 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.

The First Nation recognizes Video Lottery Terminals (VLT) revenue as the net win from gaming activities (the difference between gaming wins and gaming losses), consisting of slot machines, on a daily basis. Gaming revenue is net of commissions paid to Manitoba Liquor and Lotteries Corporation which management believes is the most appropriate presentation of gaming revenue on the consolidated financial statements.

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

Interest revenue is recognized on an accrual basis in the year it is earned.

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

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

**Segments**

The First Nation conducts its business through eight reportable segments as identified 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 segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- **Band Governance** - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes.
- **Education** - activities include overseeing many aspects of educational opportunities for its members at all levels of learning, the construction, operations and maintenance of all school facilities and the provision of transportation services for the students.
- **Social Services** - activities include satisfying the economic, social, or health related needs of members of the community who require assistance.
- **Community Infrastructure** - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.
- **Employment Training and Day Care** - activities include the delivery of both employment and child care services to assist the community members to have the opportunity to find and maintain meaningful employment.
- **Community Wellness** - activities include the delivery of community-based health promotion and disease prevention programs, primary home and community care services, programs to control communicable diseases and address environmental issues and non-insured health benefits.
- **Housing** - activities related to developing and sustaining housing, including CMHC housing.
- **Economic Development** - benefits include greater use of land resources under the control of the community, better access to opportunities from land and resources beyond the control of the community, more and larger businesses and business opportunities within the community and a better economic environment.

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 Note 2, Significant accounting policies.

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

***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 estimates as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Provisions are made for slow moving and obsolete inventory. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

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.

***Employee future benefits***

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

***Financial Instruments***

Financial instruments include cash, accounts receivable, restricted cash, accounts payable and accruals, promissory note payable and long-term debt. Unless otherwise stated, it is management's opinion that that the First Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of the First Nation's promissory note and long-term debt are approximated by their carrying values as the terms and conditions of similar instruments are not materially different from those associated with the First Nation's current promissory note and long-term debt.

***Recent accounting pronouncements***

***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, 2019. 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 First Nation does not expect the adoption of these new standards to have a material impact on its consolidated financial statements.

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**3. Accounts receivable**

	<b>2016</b>	<b>2015</b> (Restated)
Canada Mortgage and Housing Corporation	21,482	22,115
Indian and Northern Affairs Canada	30,000	1,176,035
Province of Manitoba - Social Assistance	17,973	43,615
Province of Manitoba - Tobacco Tax Rebates	199,460	82,740
Province of Manitoba - Jobs and Economy program	17,332	-
Manitoba Hydro	6,298,161	452,266
First Peoples Development Inc.	-	46,089
Other	37,488	18,370
	<b>6,621,896</b>	<b>1,841,230</b>

**4. Inventory for resale**

	<b>2016</b>	<b>2015</b>
Confectionary and tobacco	30,929	-
Fuel	41,795	-
	<b>72,724</b>	<b>-</b>

The cost of inventories recognized as an expense and included in materials, supplies and cost of sales amounted to \$711,063 (2015 - \$nil).

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**5. Restricted cash**

	<b>2016</b>	<b>2015</b>
Ottawa Trust Fund	12,277	11,733
CMHC replacement reserve	151,412	151,003
	<b>163,689</b>	<b>162,736</b>

*Ottawa Trust Fund*

The Ottawa Trust Fund arises 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 when collection is reasonably assured. Capital and Revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Chief and Council.

Capital trust	\$23 (2015 - \$23); interest revenue \$0 (2015 - \$0)
Revenue trust	\$12,254 (2014 - \$11,710); Interest revenue \$244 (2015 - \$272); Lease revenue \$300 (2015 - \$1,386)

*CMHC replacement reserve*

As part of the First Nation's housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. These funds along with accrued interest must be held 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. Purchases made from the Replacement Reserve must be approved capital items as determined by CMHC. As at March 31, 2016, the Replacement Reserve bank account was underfunded by \$669,750 (2015 - underfunded by \$685,177).

*CMHC subsidy surplus reserve*

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. These funds in this account may only be used to meet future subsidy requirements of income-tested occupants. As at March 31, 2016, the subsidy reserve bank account was underfunded by \$218,764 (2015 - underfunded by \$203,049).

**6. Accounts payable and accruals**

	<b>2016</b>	<b>2015</b>
INAC - Debt Management #368	340,230	402,076
INAC - Debt Management #428	-	268,530
INAC - Band base capital 2011-12	-	252,438
INAC - Debt Management #816	-	11,029
INAC - Commemoration	29,869	29,869
INAC - Debt Management #367	222,426	-
INAC - Debt Management #896	49,097	-
Other trade payables and accruals	6,661,149	1,561,572
	<b>7,302,771</b>	<b>2,525,514</b>

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**7. Deferred revenue**

	<b>2016</b>	<b>2015</b>
INAC - Capital funding (Schedule 7)		51,096
First Peoples Development Inc. (Schedule 8)	<b>35,855</b>	-
	<b>35,855</b>	51,096

**8. Promissory note payable**

Promissory note payable to 5208620 Manitoba Ltd. in the amount of \$240,000, non-interest bearing for twelve months until October 2016, bearing interest at 0.5% monthly thereafter, due within 36 months.

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**9. Long-term debt**

	<b>2016</b>	<b>2015</b>
Mortgage repayable in monthly payments of \$3,738 including interest at 1.80%, maturing September 1, 2019, with the next scheduled renewal on October 1, 2016, secured by a Ministerial guarantee and assignment of fire insurance.	152,040	193,753
Mortgage repayable in monthly payments of \$471 including interest at 1.85%, maturing May 1, 2021, with the next scheduled renewal on August 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance.	27,838	32,926
Loan repaid during the year.	-	95,510
Mortgage repayable in monthly payments of \$8,770 including interest at 1.61%, maturing January 1, 2017, secured by a Ministerial guarantee and assignment of fire insurance.	87,059	189,995
Mortgage repayable in monthly payments of \$3,855 including interest at 1.80%, maturing December 1, 2017, secured by a Ministerial guarantee and assignment of fire insurance.	79,643	124,040
Mortgage repayable in monthly payments of \$5,033 including interest at 1.80%, maturing December 1, 2016, secured by a Ministerial guarantee and assignment of fire insurance.	44,961	103,970
Mortgage repayable in monthly payments of \$3,222 including interest at 1.94%, maturing September 1, 2018, secured by a Ministerial guarantee and assignment of fire insurance.	94,283	130,734
Mortgage repayable in monthly payments of \$3,843 including interest at 1.82%, maturing July 1, 2024, with the next scheduled renewal on September 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance.	356,448	395,702
Mortgage repayable in monthly payments of \$2,985 including interest at 1.85%, maturing October 1, 2028, with the next scheduled renewal on August 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance.	402,001	430,110
Mortgage repayable in monthly payments of \$4,352 including interest at 1.61%, maturing November 1, 2037, with the next scheduled renewal on November 1, 2017, secured by a Ministerial guarantee and assignment of fire insurance.	953,970	990,535
Mortgage repayable in monthly payments of \$1,335 including interest at 0.94%, maturing September 1, 2040, with the next scheduled renewal on September 1, 2020, secured by a Ministerial guarantee and assignment of fire insurance.	350,449	-
Loan payable to Penner Oil in monthly payments of \$5,000, including interest at 6.50%, maturing July 2022, secured by related equipment with a net book value of \$290,766.	323,073	-
Mortgage payable in monthly payments of \$1,425 including interest at 5.93%, maturing July 2025, secured by a parcel of land in the City of Dauphin.	112,463	123,898
Mortgage payable in monthly payments of \$12,500 including interest at 3.25%, maturing November 2020, secured 1st charge on a parcel of land in the City of Dauphin.	2,237,805	-
	<b>5,222,033</b>	<b>2,811,173</b>

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

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:

2017	500,800
2018	353,400
2019	303,900
2020	2,162,700
2021	153,500

**10. Contingent liabilities**

*Funding recoveries*

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. It was not yet determined to what extent any funding amounts related to the March 31, 2016 year end might be recovered by these agencies.

*Legal Claims*

The First Nation has two outstanding legal claims.

A statement of claim was filed against the First Nation by 8677409 Canada Ltd. in the amount of \$600,000, of which \$489,250 has been included in accounts payable. The full amount is in dispute and the likelihood of a judgment against the First Nation is unknown and not quantifiable.

A statement of claim was filed against the First Nation by John Stockwell in the amount of \$62,109, of which \$62,109 has been included in accounts payable. The full amount is in dispute and the likelihood of a judgment against the First Nation is unknown and not quantifiable.

*First Nations Financial Transparency Act*

The First Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to INAC by July 29, 2016. Since the audit report is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined.

**11. Accumulated surplus**

Accumulated surplus is comprised of the following:

	<b>2016</b>	<b>2015</b>
Ottawa Trust Funds	12,277	11,733
Invested in tangible capital assets	17,284,550	16,708,795
CMHC replacement reserve	821,162	836,180
CMHC subsidy surplus reserve	218,764	203,049
Accumulated deficit from operations	(1,099,373)	(1,583,481)
	<hr/>	<hr/>
	17,237,380	16,176,276

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**12. Defined contribution pension plan**

The First Nation has a defined contribution pension plan covering some full-time employees. The First Nation remits monthly contributions to the administrator of the plan and remittances owing at the year-end are included in accounts payable.

**13. Indigenous and Northern Affairs Canada Funding**

	<b>2016</b>	<b>2015</b>
Indigenous and Northern Affairs Canada confirmation balance	<b>7,643,058</b>	9,010,198
Indigenous and Northern Affairs Canada financial statement balance	<b>7,643,058</b>	9,010,198

**14. First Nations and Inuit Health Funding**

	<b>2016</b>	<b>2015</b>
First Nations and Inuit Health confirmation balance	<b>1,504,117</b>	1,418,883
First Nations and Inuit Health financial statement balance	<b>1,504,117</b>	1,418,883

**15. Budget information**

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

**16. Correction of an error**

The prior year consolidated statements did not include the financial information for the First Nation's Pine Creek First Nation C1 Joint Venture as the information was not available. During the year, the First Nation was able to obtain this information and has included the financial results into its consolidated financial statements. The retroactive application of including this information is as follows:

<b>Consolidated Statement of Financial Position</b>	<b>Original balance</b>	<b>Adjustment</b>	<b>Revised Balance</b>
Cash	51,203	(11,378)	39,825
Accounts receivable	1,530,553	310,677	1,841,230
Accounts payable	2,283,766	241,748	2,525,514
Net debt	(3,401,542)	57,550	(3,343,992)
Tangible capital assets	19,422,840	97,128	19,519,968
Accumulated surplus	16,021,598	154,678	16,176,276
<b>Consolidated Statement of Operations and Accumulated Surplus</b>			
Revenue	14,121,167	2,423,798	16,544,965
Expenses	14,483,229	2,327,610	16,810,839
Annual surplus (deficit)	(362,062)	96,189	(265,874)
Accumulated surplus, beginning of year	16,383,660	58,490	16,442,150
Accumulated surplus, end of year	16,021,598	154,678	16,176,276

**Pine Creek First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**17. Provision for site rehabilitation**

The Manitoba Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste 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.

As at the audit report date, the extent to which the First 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.

**18. Economic dependence**

Pine Creek First Nation received the majority of its revenue from Indigenous and Northern Affairs Canada (INAC) and First Nations and Inuit Health (FNIH) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

**19. Comparative figures**

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

**Pine Creek First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

	<i>Vehicles and Equipment</i>	<i>Facilities</i>	<i>Roads and Bridges</i>	<i>Infrastructure</i>	<i>Land</i>	<i>CMHC Housing</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	1,570,893	28,143,980	1,856,743	3,574,823	275,000	11,393,284	46,814,723
Acquisition of tangible capital assets	595,667	210,667	70,221	131,273	2,623,366	468,178	4,099,372
Disposal of tangible capital assets	(600,000)	-	-	-	-	-	(600,000)
Write down of tangible capital assets	-	-	-	-	-	-	-
Transfer of units from CMHC Housing to Band Housing	-	-	-	-	-	(2,057,403)	(2,057,403)
Balance, end of year	1,566,560	28,354,547	1,926,964	3,706,096	2,898,366	9,804,059	48,256,692
<b>Accumulated amortization</b>							
Balance, beginning of year	905,886	16,630,437	1,224,326	2,000,825	-	6,936,642	27,698,116
Annual amortization	203,124	478,316	26,701	65,585	-	193,862	967,588
Accumulated amortization on disposals	(527,427)	-	-	-	-	-	(527,427)
Transfer of units from CMHC Housing to Band Housing	-	-	-	-	-	(1,554,481)	(1,554,481)
Balance, end of year	581,583	17,108,753	1,251,027	2,066,410	-	5,576,023	26,583,796
<b>Net book value of tangible capital assets</b>	<b>984,977</b>	<b>11,245,894</b>	<b>675,937</b>	<b>1,639,686</b>	<b>2,898,366</b>	<b>4,228,036</b>	<b>21,672,896</b>
2015 Net book value of tangible capital assets (Restated)	665,007	11,513,543	632,417	1,573,998	275,000	4,456,642	19,116,607

**Pine Creek First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2016*

	<i>Subtotal</i>	<i>Band Housing</i>	<i>2016</i>	<i>2015</i>
(Restated)				
<b>Cost</b>				
Balance, beginning of year	46,814,723	1,664,528	48,479,251	48,199,629
Acquisition of tangible capital assets	4,099,372	207,158	4,306,530	320,967
Disposal of tangible capital assets	(600,000)	-	(600,000)	(25,000)
Write down of tangible capital assets	-	-	-	(16,345)
Transfer of units from CMHC Housing to Band Housing	(2,057,403)	2,057,403	-	-
 Balance, end of year	 48,256,692	 3,929,089	 52,185,781	 48,479,251
<b>Accumulated amortization</b>				
Balance, beginning of year	27,698,116	1,261,167	28,959,283	28,004,720
Annual amortization	967,588	39,754	1,007,342	979,563
Accumulated amortization on disposals	(527,427)	-	(527,427)	(25,000)
Transfer of units from CMHC Housing to Band Housing	(1,554,481)	1,554,481	-	-
 Balance, end of year	 26,583,796	 2,855,402	 29,439,198	 28,959,283
<b>Net book value of tangible capital assets</b>	<b>21,672,896</b>	<b>1,073,687</b>	<b>22,746,583</b>	<b>19,519,968</b>
2015 Net book value of tangible capital assets (Restated)	19,116,607	403,361	19,519,968	

**Pine Creek First Nation**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015 (Restated)</b>
<b>Consolidated expenses by object</b>			
Administration fees	93,185	150,722	102,007
Allowances	528,361	331,594	325,915
Amortization	649,318	1,007,342	979,563
Bank charges and interest	12,000	9,618	18,328
Basic needs	1,123,876	1,215,991	1,249,419
Co-management fees	170,883	177,958	194,876
Community support	119,510	391,882	504,451
Contracted services	99,671	6,783,470	1,361,465
Funeral	32,007	9,350	29,556
Graduation	16,512	37,361	25,979
Honouraria	56,875	229,665	153,618
Insurance	39,688	335,640	104,923
Interest on long-term debt	302,848	90,391	66,101
Meals	-	36,682	43,392
Materials, supplies and cost of sales	18,260	755,349	53,927
Meeting	-	10,916	3,097
Non treaty assistance	158,434	180,573	140,099
Office supplies and other	150,550	249,735	219,236
Professional development	163,768	229,027	188,612
Professional fees	96,079	263,129	373,828
Programming activities	205,317	88,745	56,853
Repairs and maintenance	223,957	243,141	1,419,147
Salaries and benefits	2,584,363	3,538,135	3,433,051
Shelter allowance	287,957	250,321	273,089
Special needs	57,100	58,403	55,581
Student transportation	-	308,754	327,359
Telephone	37,385	51,876	50,183
Travel	905,940	812,907	813,811
Tuition	2,823,412	2,892,821	3,679,982
User fees	31,480	26,913	28,822
Utilities	340,871	403,318	534,569
	<b>11,329,607</b>	<b>21,171,729</b>	<b>16,810,839</b>

**Pine Creek First Nation**  
**Schedule 3 - Consolidated Schedule of Segment Revenue and Expenses**  
*For the year ended March 31, 2016*

	Schedule #	Total Revenue	Total Expenses	Current Surplus (Deficit)	Prior Year Surplus (Deficit) (Restated)
Band Governance	4	1,020,428	1,045,245	(24,817)	(79,087)
Education	5	3,793,921	3,852,246	(58,325)	(46,775)
Social Services	6	2,205,453	2,252,973	(47,520)	(2,697)
Community Infrastructure	7	1,715,276	1,468,689	246,587	(108,423)
Employment Training and Day Care	8	670,381	684,949	(14,568)	81,906
Community Wellness	9	1,525,482	1,508,022	17,460	(57,456)
Housing	10	576,475	579,637	(3,162)	(108,414)
Economic Development	11	10,725,416	9,779,968	945,448	55,072
		22,232,833	21,171,729	1,061,104	(265,874)

**Pine Creek First Nation**  
**Band Governance**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	2016 Budget	2016	2015
<b>Revenue</b>			
Indigenous and Northern Affairs Canada (INAC)	545,326	564,561	554,233
Government of Canada	-	70,301	33,625
Province of Manitoba	-	17,332	-
Repayable to INAC	-	(46,995)	(11,029)
Other revenue	545,326	605,199	576,829
Rental income	42,245	143,165	193,345
Interest income	-	42,565	58,840
Deferred revenue from prior year	3,903	544	1,658
	-	-	53,966
	<b>591,474</b>	<b>791,473</b>	<b>884,638</b>
<b>Expenses</b>			
Bank charges and interest	4,006	993	1,627
Co-management fees	160,000	177,958	194,876
Community support	-	2,000	-
Contracted services	-	1,143	-
Honouraria	50,312	161,615	108,558
Insurance	-	621	1,665
Materials, supplies and cost of sales	-	8,723	965
Meeting	-	4,080	1,576
Office supplies and other	49,669	60,912	58,095
Professional development	9,415	42,763	-
Professional fees	28,826	89,954	199,031
Programming activities	-	385	168
Repairs and maintenance	308	1,910	57,844
Salaries and benefits	430,006	442,665	438,491
Telephone	15,637	21,932	22,493
Travel	33,638	25,292	57,721
Utilities	704	2,299	18,760
	<b>782,521</b>	<b>1,045,245</b>	<b>1,161,870</b>
<b>Deficit before transfers</b>	<b>(191,047)</b>	<b>(253,772)</b>	<b>(277,232)</b>
<b>Transfers</b>	<b>-</b>	<b>228,955</b>	<b>198,145</b>
<b>Surplus (deficit)</b>	<b>(191,047)</b>	<b>(24,817)</b>	<b>(79,087)</b>

**Pine Creek First Nation**  
**Education**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada (INAC)	3,560,550	3,791,746	4,248,466
Other revenue	4,252	2,175	8,281
Deferred revenue from prior year	-	-	240,605
	<b>3,564,802</b>	<b>3,793,921</b>	<b>4,497,352</b>
<b>Expenses</b>			
Allowances	306,962	226,875	325,915
Bank charges and interest	137	292	211
Graduation	16,512	37,361	25,979
Materials, supplies and cost of sales	-	-	1,612
Meeting	-	6,836	1,520
Office supplies and other	28,870	49,182	73,466
Professional development	10,446	2,988	-
Salaries and benefits	25,315	243,353	79,498
Student transportation	-	308,754	327,359
Telephone	5,236	3,615	3,735
Travel	348,063	27,169	18,945
Tuition	2,823,412	2,892,821	3,679,982
Utilities	-	-	5,905
Honouraria	-	53,000	-
	<b>3,564,953</b>	<b>3,852,246</b>	<b>4,544,127</b>
<b>Surplus (deficit)</b>	<b>(151)</b>	<b>(58,325)</b>	<b>(46,775)</b>

**Pine Creek First Nation**  
**Social Services**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016</b> <i>Budget</i>	<b>2016</b>	2015
<b>Revenue</b>			
Indigenous and Northern Affairs Canada (INAC)	2,099,043	2,073,977	2,223,539
Province of Manitoba	-	180,573	140,099
Repayable to INAC	-	(49,097)	-
	<b>2,099,043</b>	<b>2,205,453</b>	2,363,638
 <b>Expenses</b>			
Bank charges and interest	-	-	5,650
Basic needs	1,123,876	1,215,991	1,249,419
Funeral	32,007	9,350	29,556
Non treaty assistance	158,434	180,573	140,099
Office supplies and other	5,439	10,840	2,660
Programming activities		14,110	-
Salaries and benefits	160,206	151,860	140,774
Shelter allowance	287,957	250,321	273,089
Special needs	57,100	58,403	55,581
Telephone	993	2,400	120
Travel	1,282	500	263
User fees	31,480	26,913	28,822
Utilities	251,204	331,712	440,302
	<b>2,109,978</b>	<b>2,252,973</b>	2,366,335
<b>Surplus (deficit)</b>	<b>(10,935)</b>	<b>(47,520)</b>	<b>(2,697)</b>

**Pine Creek First Nation**  
**Community Infrastructure**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada (INAC)	998,733	1,212,775	1,983,960
Repayable to INAC	-	-	(29,869)
Reduction in prior year INAC recoveries	998,733	1,212,775	1,954,091
Other revenue	55,129	2,550	32,959
Rental income	28,256	-	18,000
Residential Rehabilitation Assistance Program	-	-	77,455
Deferred revenue from prior year	51,500	51,096	165,656
Deferred revenue to subsequent year	-	-	(51,096)
	<b>1,133,618</b>	<b>1,715,276</b>	<b>2,197,065</b>
<b>Expenses</b>			
Amortization	642,944	688,000	668,024
Contracted services	60,000	21,025	31,442
Insurance	-	229,566	5,293
Materials, supplies and cost of sales	-	17,794	28,428
Office supplies and other	8,088	45,790	31,982
Professional development	-	1,466	-
Professional fees	-	-	35,248
Repairs and maintenance	111,981	67,310	1,101,877
Salaries and benefits	233,171	350,873	352,644
Telephone	2,085	2,660	4,640
Travel	33,216	10,309	10,897
Utilities	41,012	33,896	35,013
	<b>1,132,497</b>	<b>1,468,689</b>	<b>2,305,488</b>
<b>Surplus (deficit)</b>	<b>1,121</b>	<b>246,587</b>	<b>(108,423)</b>

**Pine Creek First Nation**  
**Employment Training and Day Care**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
First Peoples Development Inc.	629,679	704,517	603,280
Other revenue	12,709	1,719	-
Deferred revenue from prior year	19,000	-	-
Deferred revenue to subsequent year	-	(35,855)	-
	<b>661,388</b>	<b>670,381</b>	<b>603,280</b>
<b>Expenses</b>			
Administration fees	7,774	15,754	8,478
Allowances	221,399	104,719	-
Amortization	1,796	2,645	1,686
Bank charges and interest	1,081	634	-
Co-management fees	10,883	-	-
Contracted services	14,876	5,720	-
Insurance	471	6,199	3,968
Office supplies and other	5,455	20,216	24,911
Professional development	108,966	169,839	129,461
Professional fees	8,138	10,568	6,700
Programming activities	17,337	16,672	-
Repairs and maintenance	13,995	13,750	12,869
Salaries and benefits	221,127	275,308	312,039
Telephone	1,840	2,901	-
Travel	20,728	35,992	19,592
Utilities	4,799	4,032	1,670
	<b>660,665</b>	<b>684,949</b>	<b>521,374</b>
<b>Surplus (deficit)</b>	<b>723</b>	<b>(14,568)</b>	<b>81,906</b>

**Pine Creek First Nation**  
**Community Wellness**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<i>2016 Budget</i>	<i>2016</i>	<i>2015</i>
<b>Revenue</b>			
First Nations and Inuit Health (FNIH)	1,446,237	1,504,117	1,418,883
Repayable to FNIH	-	(3,289)	(5,135)
Other revenue	-	24,654	31,762
Deferred revenue from prior year	-	-	15,000
	<b>1,446,237</b>	<b>1,525,482</b>	<b>1,460,510</b>
<b>Expenses</b>			
Amortization	-	58,090	61,437
Bank charges and interest	2,220	3,028	3,186
Community support	-	1,445	3,272
Insurance	9,000	6,398	6,092
Materials, supplies and cost of sales	18,260	17,769	22,921
Meals	-	36,682	43,392
Office supplies and other	13,440	4,398	4,354
Professional development	25,770	3,443	21,469
Professional fees	8,741	11,735	16,487
Programming activities	75,980	55,090	56,685
Repairs and maintenance	14,740	21,620	19,784
Salaries and benefits	956,740	949,927	937,894
Telephone	8,160	15,849	16,724
Travel	327,440	315,325	297,737
Utilities	11,520	7,223	6,532
	<b>1,472,011</b>	<b>1,508,022</b>	<b>1,517,966</b>
<b>Surplus (deficit)</b>	<b>(25,774)</b>	<b>17,460</b>	<b>(57,456)</b>

**Pine Creek First Nation**  
**Housing**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>			
Canada Mortgage and Housing Corporation (CMHC)	295,736	268,169	282,833
Rental income	499,403	440,303	395,008
Other revenue	27,650	79,004	-
Residential Rehabilitation Assistance Program	-	17,545	-
Interest income	-	409	-
	<b>822,789</b>	<b>805,430</b>	<b>677,841</b>
<b>Expenses</b>			
Amortization	-	193,862	233,351
Bank charges and interest	2,885	273	234
Insurance	25,795	87,906	87,906
Interest on long-term debt	290,314	52,409	58,382
Office supplies and other	23	-	-
Professional development	5,871	7,200	-
Professional fees	15,318	12,328	11,710
Repairs and maintenance	52,008	111,156	114,732
Salaries and benefits	115,337	103,694	77,960
Travel	8,675	10,809	3,835
	<b>516,226</b>	<b>579,637</b>	<b>588,110</b>
<b>Surplus before transfers</b>	<b>306,563</b>	<b>225,793</b>	<b>89,731</b>
<b>Transfers</b>	<b>-</b>	<b>(228,955)</b>	<b>(198,145)</b>
<b>Surplus (deficit)</b>	<b>306,563</b>	<b>(3,162)</b>	<b>(108,414)</b>

**Pine Creek First Nation**  
**Economic Development**  
**Schedule 11 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2016*

	<b>2016 Budget</b>	<b>2016</b>	<b>2015 (Restated)</b>
<b>Revenue</b>			
Province of Manitoba	405,309	613,198	389,606
Manitoba Hydro	-	8,210,357	2,422,673
VLT revenue, net of payouts	714,113	840,921	765,352
Red Sun Gas Bar sales	-	723,074	-
Other revenue	170	195,385	140,221
Community development initiative	-	142,554	142,544
Enbridge revenue	-	72,500	-
Interest income	121	-	245
	<b>1,119,713</b>	<b>10,797,989</b>	<b>3,860,641</b>
<b>Expenses</b>			
Administration fees	85,411	134,968	93,529
Amortization	4,578	64,744	15,065
Bank charges and interest	1,671	4,399	7,421
Community support	119,510	388,437	501,179
Contracted services	24,795	6,755,582	1,330,023
Honouraria	6,563	15,050	45,060
Insurance	4,422	4,950	-
Interest on long-term debt	12,534	37,982	7,719
Materials, supplies and cost of sales	-	711,063	-
Office supplies and other	39,566	58,398	23,766
Professional development	3,300	1,328	37,681
Professional fees	35,056	138,544	104,653
Programming activities	112,000	2,488	-
Repairs and maintenance	30,925	27,394	112,041
Salaries and benefits	442,461	1,020,455	1,093,752
Telephone	3,434	2,520	2,471
Travel	132,898	387,510	404,823
Utilities	31,632	24,156	26,386
	<b>1,090,756</b>	<b>9,779,968</b>	<b>3,805,569</b>
<b>Surplus before other expense</b>	<b>28,957</b>	<b>1,018,021</b>	<b>55,072</b>
<b>Other expense</b>			
Loss on disposal of tangible capital assets	-	(72,573)	-
<b>Surplus (deficit)</b>	<b>28,957</b>	<b>945,448</b>	<b>55,072</b>