

Long Plain First Nation
Consolidated Financial Statements
March 31, 2014

Long Plain First Nation
Consolidated Contents
For the year ended March 31, 2014

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Management's Responsibility

To the Chief and Council and Members of Long Plain First Nation :

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

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting Standards and ensuring that all information in the annual report is consistent with the statements. 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 consolidated financial reporting responsibilities, and for approving the consolidated financial information included in the annual report. 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 Accountants, is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

August 28, 2014



Rosalind Merriak
Tribal Government Administrator

Independent Auditors' Report

To the Chief and Council and Members of Long Plain First Nation:

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

Management's Responsibility for the 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

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

Other Matter

Our audit was conducted for the purpose of forming an opinion of the consolidated financial statements taken as a whole. The information presented in supplemental schedules (3 -17) is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such supplemental information has been subjected only to auditing procedures applied in the audit of the basic financial statements, taken as a whole.

Portage la Prairie, Manitoba

August 28, 2014

MNP LLP

Chartered Accountants

Long Plain First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

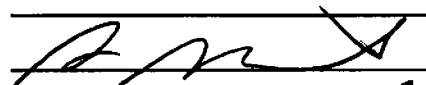

	2014	2013 <i>(Restated)</i>
Financial assets		
Current		
Cash	356,753	181,140
Accounts receivable <i>(Note 3)</i>	2,893,070	3,062,727
	3,249,823	3,243,867
Funds held in trust <i>(Note 4)</i>	23,775	23,459
Investment in Nation business entities <i>(Note 5)</i>	1,854,664	1,472,328
Total financial assets	5,128,262	4,739,654

The accompanying notes are an integral part of these financial statements

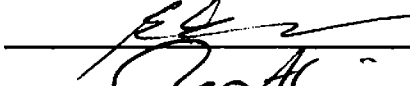

Long Plain First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

	2014	2013 (Restated)
Liabilities		
Current		
Bank indebtedness (Note 6)	887,708	2,087,797
Accounts payable and accruals (Note 7)	5,117,615	6,125,973
Deferred revenue (Note 8)	904,873	439,819
Damage deposits	18,203	12,217
Short term loans (Note 9)	1,200,000	-
Current portion of capital lease obligations (Note 10)	42,400	53,000
	8,170,799	8,718,806
Long-term debt (Note 11)	20,161,685	19,959,438
Capital lease obligations (Note 10)	-	43,841
Total long-term liabilities	20,161,685	20,003,279
Total financial liabilities	28,332,484	28,722,085
Net debt	(23,204,222)	(23,982,431)
Contingencies (Note 22)		
Non-financial assets		
Tangible capital assets (Schedule 1)	61,760,783	53,158,793
Construction in progress (Note 12)	280,779	12,232,864
Inventory	4,263	4,479
Prepaid expenses	5,790	115,745
Total non-financial assets	62,051,615	65,511,881
Accumulated surplus (Note 13)	38,847,393	41,529,450

Approved on behalf of Chief and Council

Chief
Councillor
Councillor

Councillor
Councillor

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

	<i>Schedules</i>	<i>2014 Budget</i>	<i>2014</i>	<i>2013 (Restated)</i>
Revenue				
Aboriginal Affairs and Northern Development Canada (Note 15)		11,839,055	12,482,097	15,726,212
Health Canada (Note 15)		2,170,398	2,143,876	2,287,094
Canada Mortgage and Housing Corporation (Note 15)		840,677	934,897	952,704
First Peoples Development Inc.		750,528	809,818	695,068
Province of Manitoba		50,600	60,018	64,004
Municipal tax sharing grant		42,000	42,753	42,883
Band support funding		-	10,000	20,000
Government of Canada - Trust		-	380,669	-
Dakota Ojibway Tribal Council		21,479	732,441	4,914,479
Long Plain First Nation Trust - TLE		-	400	8,101
Long Plain First Nation Trust - LOU		544,500	752,195	626,440
Legal settlement		-	41,000	-
Administration fees		432,487	411,332	446,745
Tobacco tax		925,000	1,252,276	1,064,781
Canteen		33,800	76,477	65,259
Rental income		1,913,808	1,854,258	1,736,546
Interest income		6,000	3,030	10,049
Insurance		-	144,706	181,141
Miscellaneous		42,375	59,373	70,580
Interest earned on First Nation trust funds		-	316	537
Manitoba Hydro grant		29,850	3,000	29,850
Deferred revenue - current year (Note 8)		-	(904,873)	(439,820)
Deferred revenue - prior year		-	439,819	582,777
Licensing fees revenue		110,345	108,279	111,822
Band minimum revenue contribution		161,104	244,985	187,783
Manitoba First Nations Education Resource Centre		30,000	30,600	30,115
Sale of product		46,346	44,078	54,628
Donations		-	-	2,500
Earnings (loss) from investment in Nation business entities		-	349,696	186,086
Lagoon Project		-	-	45,000
		19,990,352	22,507,516	29,703,364

Continued on next page

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

		2014 Budget	2014	2013 (Restated)
Revenue <i>(Continued from previous page)</i>		19,990,352	22,507,516	29,703,364
Program expenses				
Long Plain First Nation Tribal Council	4	5,308,835	7,188,582	7,157,227
Long Plain First Nation Social Services	5	3,831,371	4,243,963	3,815,932
Long Plain First Nation Housing Administration	6	511,560	1,845,464	1,720,198
Long Plain First Nation Housing C.M.H.C.	7	1,801,009	1,656,635	1,723,208
Long Plain First Nation Non Insured Health Benefit	8	657,952	601,217	697,602
Long Plain First Nation Health Services	9	2,140,605	2,157,456	2,348,731
Long Plain First Nation Education Authority	10	3,512,815	3,380,732	3,347,109
Long Plain First Nation Employment and Training	11	770,528	843,575	798,609
Long Plain First Nation Post Secondary Education	12	2,112,354	2,448,919	2,181,539
Long Plain First Nation Gaming Commission	13	164,967	173,878	158,172
Long Plain Irrigation Management Company Ltd.	14	852,393	722,497	819,851
Long Plain General Partner Inc.	15	111,240	101,453	143,607
Total expenditures <i>(Schedule 2)</i>		21,775,629	25,364,371	24,911,785
Surplus (deficit) before other items		(1,785,277)	(2,856,855)	4,791,579
Other income (expense)				
Repayment of over-funding		-	(264,794)	(608)
Loss on disposal of tangible capital assets		-	(612,544)	(61,753)
Flood expenditures		-	-	(17,141)
Province of Manitoba - flood assistance		-	-	1,207,979
		-	(877,338)	1,128,477
Surplus (deficit) before transfers		(1,785,277)	(3,734,193)	5,920,056
Transfers between Nation entities		719,362	1,052,136	640,722
Surplus (deficit)		(1,065,915)	(2,682,057)	6,560,778
Accumulated surplus, beginning of year, as previously stated		-	41,679,984	34,926,078
Correction of an error <i>(Note 21)</i>		-	(150,534)	42,594
Accumulated surplus, beginning of year, as restated		-	41,529,450	34,968,672
Accumulated surplus, end of year		-	38,847,393	41,529,450

The accompanying notes are an integral part of these financial statements

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

	2014 Budget	2014	2013 (Restated)
Annual surplus (deficit)	-	(2,682,057)	6,560,778
Purchases of tangible capital assets	-	(14,092,723)	(9,561,764)
Amortization of tangible capital assets	-	3,276,387	3,058,135
(Increase) decrease in construction in progress	-	11,952,085	620,594
Use of inventory	-	193	(1,429)
(Gain) loss on sale of tangible capital assets	-	612,544	61,753
Proceeds of disposal of tangible capital assets	-	1,601,823	1,030,457
Use of prepaid expenses	-	109,955	90,210
Increase (decrease) in net financial assets	-	778,207	1,858,734
Net debt, beginning of year	-	(23,982,429)	(25,841,165)
Net debt, end of year	-	(23,204,222)	(23,982,431)

Long Plain First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

	2014	2013 (Restated)
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	(2,682,057)	6,560,778
Non-cash items		
Amortization	3,276,387	3,058,135
Loss on disposal of tangible capital assets	612,544	61,753
(Earnings) loss from investment in Nation business entities	(349,696)	(186,086)
	857,178	9,494,580
Changes in working capital accounts		
Accounts receivable	169,657	(1,877,112)
Prepaid expenses	109,955	90,210
Restricted cash	(336)	(537)
Accounts payable and accruals	(1,008,357)	1,077
Deferred revenue	465,054	(142,959)
Short term loans	1,200,000	(1,490,000)
Damage deposits	5,986	4,242
Advance from Aboriginal Affairs and Northern Development Canada	-	(2,909,572)
Inventory	216	(1,427)
	1,799,353	3,168,502
Financing activities		
Advances of long-term debt	1,240,199	1,344,209
Repayment of long-term debt	(1,037,954)	(1,585,390)
Repayment of capital lease obligations	(54,441)	(56,563)
	147,804	(297,744)
Capital activities		
Purchases of tangible capital assets	(14,092,723)	(9,561,764)
(Increase) decrease in construction in progress	11,952,085	620,595
Proceeds of disposal of tangible capital assets	1,601,823	1,030,457
	(538,815)	(7,910,712)
Investing activities		
Repayment of advances from investment in Nation business entities	(32,640)	(76,862)
Increase (decrease) in cash resources	1,375,702	(5,116,816)
Cash (deficiency), beginning of year	(1,906,657)	3,210,159
Cash (deficiency), end of year	(530,955)	(1,906,657)
Cash (deficiency) are composed of:		
Cash	356,753	181,140
Bank indebtedness	(887,708)	(2,087,797)
	(530,955)	(1,906,657)

The accompanying notes are an integral part of these financial statements

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

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

2. Significant accounting policies

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

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities. Trusts administered on behalf of third parties by Long Plain 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:

- Long Plain First Nation Tribal Council
- Long Plain First Nation Housing Administration
- Long Plain First Nation Housing C.M.H.C.
- Long Plain First Nation Non Insured Health Benefits
- Long Plain First Nation Health Services
- Long Plain First Nation Education Authority
- Long Plain First Nation Employment and Training
- Long Plain First Nation Post Secondary Education
- Long Plain First Nation Gaming Commission
- Long Plain Irrigation Management Company Ltd.
- Long Plain General Partner Inc.
- Long Plain First Nation Social Services

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

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

- Arrowhead Development Corporation
- 6089292 Manitoba Ltd. Partnership

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

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 resources

Cash resources include 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.

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

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Buildings	straight-line	4 - 5 %
Buildings	straight-line	4 - 5 %
Housing	straight-line	2.5 - 4 %
Equipment	straight-line	10 - 20 %
Infrastructure	straight-line	4 %
Landfill	straight-line	4 %
Roads	straight-line	3 - 8 %
Water	straight-line	2.5 %
Utility Systems	straight-line	2.5 %
Automotive	straight-line	10 - 30 %
Skatepark	straight-line	2 %
Leasehold Improvements	straight-line	4 %
Playground	straight-line	20 %
Housing	straight-line	4 %
Equipment	straight-line	20 %
Infrastructure	straight-line	8 %
Roads	straight-line	3 %
Water	straight-line	2.5 %
Sewer	straight-line	2.5 %

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 operation. 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, construction in progress, prepaid expenses and inventories of supplies.

Long-lived assets

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

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in operations for the year.

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

Funds held in Ottawa Trust Fund

Funds are held in trust on behalf of Long Plain First Nation by the Government of Canada. Trust monies consist of:

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

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when received. These monies are reported on by the Government of Canada.

Net debt

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

Revenue recognition

Government Transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Rental and Other Revenue

Rental revenue is recognized over the rental term. Other revenues are earned from other services provided by the First Nation and are recognized at their fair value when the service has been provided.

Retail sales are recognized when the sale is made and the customer takes possession of the merchandise.

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, and amounts due from related parties, are stated after evaluation 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. Payable to funding agencies is based on anticipated repayment requirements; however, actual repayments will be determined upon funding agencies review of financial statements. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the operations in the periods in which they become known.

Provision for site rehabilitation

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. A liability is 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 and is equal to a proportion of 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 revenue generation, are expensed in the current year.

No liability has been recorded as of March 31, 2014 as funding from government agencies will offset any costs associated with the closure of landfill sites.

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

Segments

The First Nation conducts its business through 13 reportable segments. These segments are differentiated by the major activities or services they provide. The Nation's segments are as follows:

Long Plain First Nation Tribal Council - includes administration and governance activities
Long Plain First Nation Housing Administration - reports on band owned housing projects
Long Plain First Nation Housing C.M.H.C. - reports on CMHC housing projects
Long Plain First Nation Non-Insured Health Benefits - reports on the First Nation's Health Canada funding for non-insured benefits
Long Plain First Nation Health Services - reports on the First Nation's Health Canada funding
Long Plain First Nation Education Authority - includes the operations of education programs
Long Plain First Nation Employment and Training - includes the operations of employment and training programs
Long Plain First Nation Post Secondary - includes the operations of post secondary education programs
Long Plain First Nation Gaming Commission - includes administration of Manitoba Lottery Corporation licensing
Long Plain Irrigation Management Company Ltd. - includes administration and land leases
Long Plain General Partner Inc. - reports on urban reserve housing development
Long Plain First Nation Social Services - includes social assistance programs
Investment in Nation business entities - reports on gains and losses of Arrowhead Development Corporation and 6089292 Manitoba Ltd.

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 accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2 under reporting entity.

Related Entities Financial Statements

Separate financial statements are prepared for the following related entities:

- Long Plain First Nation Housing C.M.H.C.

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

2. Significant accounting policies (Continued from previous page)

Recent accounting pronouncements

Liability for contaminated sites

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

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

Financial instruments

Financial Instruments include cash, accounts receivable, restricted cash, bank indebtedness, accounts payable and accruals, advances from related parties, capital lease obligations and long-term debt. Unless otherwise stated, its management's opinion that the Nation is not exposed to significant interest, currency or credit risk arising from financial instruments. Unless otherwise stated, the book value of the Nation's financial assets and liabilities approximates their fair value due to the short-term maturities of the instruments. The fair value of the Nation's capital lease obligations and long-term debt are approximated by their carrying value as the terms and conditions of similar instruments are not materially different from those associated with the Nation's current capital lease obligations and long-term debt.

Retirement benefits

The First Nation has a defined contribution pension plan covering substantially all full-time employees. Contributions are discretionary, and are based on 3% of participants' contributions, up to a maximum of 5%. The First Nation follows the policy of funding retirement plan contributions as accrued. During the year the First Nation's contributions totalled \$89,571 (2013 - \$74,472).

3. Accounts receivable

	2014	2013
Aboriginal Affairs and Northern Development Canada	386,271	232,407
Health Canada	780	328,520
Other government agencies	103,395	838,093
Canada Mortgage and Housing Corporation	16,669	68,796
Trade receivables	1,051,733	395,279
Rent receivable	860,270	1,149,094
Employee advances	3,461	3,533
Goods and Services Tax receivable	86,519	72,083
Student advances	18,736	11,101
Long Plain First Nation Trust - LOU	860,033	649,393
Government of Canada - Trust	380,669	-
	3,768,536	3,748,299
Allowance for doubtful accounts	(875,466)	(685,572)
	2,893,070	3,062,727

Aboriginal Affairs and Northern Development Canada accounts receivable consists of the following:

Community Economic Development Program	1,320
Provincial School - Direct Services	13,024
Establish or Acquire a Business - Capital	334,848
Business Development	37,079

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

4. 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 statement of financial position with an offsetting amount in accumulated surplus. Trust money consists of;

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

	2014	2013
Capital Trust		
Balance	2,225	2,225
Revenue Trust		
Balance, beginning of year	21,234	20,697
Interest	316	537
Balance, end of year	21,550	21,234
	23,775	23,459

5. Investment in Nation business entities

The First Nation holds the following investment in commercial enterprises:

	2014	2013 (Restated)
Arrowhead Development Corporation		
Retained earnings	3,926,858	3,960,426
Advances from Arrowhead Development Corporation	(3,061,305)	(2,770,223)
	865,553	1,190,203
6089292 Manitoba Ltd.		
Retained earnings (deficit)	378,302	(4,962)
Advances to 6089292 Manitoba Ltd.	610,809	287,087
	989,111	282,125
	1,854,664	1,472,328

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

5. Investment in Nation business entities *(Continued from previous page)*

The condensed financial information for the wholly owned business enterprises for the year ending March 31, 2014 is as follows:

	Assets	Liabilities	Net Assets (Liabilities)	Revenues	Expenses	Earnings (Loss)
Arrowhead Development Corporation	7,733,508	3,680,276	4,053,232	32,751,395	32,784,963	(33,568)
2013	8,016,631	3,929,661	4,086,700	34,692,262	34,441,166	251,096
6089292 Manitoba Ltd.	3,726,109	3,347,807	378,302	2,374,165	1,990,901	383,264
2013	2,357,655	2,362,617	(4,962)	185,487	250,503	(65,016)

6. Bank indebtedness

Bank indebtedness includes an operating loan amounting to \$517,427 (2013 - \$1,372,100). The operating loan bears interest at prime plus 1.5%, to a maximum of \$610,000 and is secured by a Band Council Resolution redirecting all funds from Aboriginal Affairs and Northern Development Canada to the financial institution. The excess indebtedness above the maximum in the prior year was allowed by the lending institution as the funds had sufficient security redirecting all funds from Aboriginal Affairs and Northern Development Canada.

Bank indebtedness also includes a second operating loan amounting to \$292,187 (2013 - nil). The operating loan bears interest at prime plus 0.8%, to a maximum of \$500,000 and is secured by a Band Council Resolution redirecting all funds from Aboriginal Affairs and Northern Development Canada to the financial institution.

Within Long Plain First Nation Housing - CMHC, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$14,557 (\$27,102 in 2013).

Within Long Plain First Nation Education Authority, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$31,262 (\$nil in 2013).

Within Long Plain First Nation Housing Administration, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$526,118 in 2013).

Within Long Plain First Nation Post Secondary Education, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$32,275 (\$3,103 in 2013).

Within Long Plain First Nation Health Services, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$29,881 in 2013).

Within Long Plain First Nation Non Insured Health Benefits, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$15,260 in 2013).

Within Long Plain Irrigation Management Company Ltd., bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$7,875 in 2013).

Within Long Plain General Partner Inc., bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$15 in 2013).

Within Long Plain First Nation Social Services, bank indebtedness is the result of cheques that have been issued and are outstanding at the end of the year and amount to \$nil (\$106,343 in 2013).

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

7. Accounts payable and accruals

	2014	2013
Trade payables	4,848,622	5,882,054
Payroll liabilities	715	29,298
Accrued interest	141,891	214,558
AANDC Payable	3,140	-
Health Canada payable	123,247	63
	5,117,615	6,125,973

8. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance March 31, 2013</i>	<i>Funding Received 2014</i>	<i>Revenue Recognized 2014</i>	<i>Balance March 31, 2014</i>
Residential Rehabilitation Assistance Program	12,812	15,200	28,012	-
AANDC - Parental and Community Engagement Strategy	15,734	-	15,734	-
AANDC - First Nation water and wastewater action plan	75,644	-	75,644	-
Health Canada - Drinking water	4,665	-	4,665	-
Other program - Land leases	91,227	423,740	465,035	49,932
Other program - Housing insurance proceeds	239,737	-	-	239,737
AANDC - Band Operated School Direct Services	-	315,011	312,252	2,759
AANDC - Costs to Acquire or Establish a Business	-	334,848	-	334,848
AANDC - Business Development (Madison)	-	216,402	-	216,402
First People's Development - First Nation Job Fund	-	63,595	2,400	61,195
	439,819	1,368,796	903,742	904,873

9. Short term loans

	2014	2013
Long Plain First Nation Trust loan for working capital, repayable in one annual instalment of \$1,200,000 plus interest at 10%, secured by Band Council Resolution, due April 30, 2014.	1,200,000	-

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

10. Capital lease obligations

	2014	2013
Capital lease obligation payable in monthly instalments of \$3,975, secured by assets with a net book value of \$102,300 (\$122,760 - 2013), due March 2015.	42,400	85,991
Capital lease obligation repaid during the year.	-	10,850
	42,400	96,841
Less: current portion	42,400	53,000
	-	43,841

Minimum lease payments related to obligations under capital lease are as follows:

2015	47,700
	47,700
Less: imputed interest	(5,300)
Balance of obligation	42,400
Less: current portion	42,400
	-

11. Long-term debt

	2014	2013
TD Canada Trust loan (32) for housing repairs, repayable in monthly instalments of \$2,778 plus interest at prime plus 1% , secured by Band Council Resolution, due March 2029.	500,000	-
TD Canada Trust loan (27) for Recreation Centre addition, repayable in monthly instalments of \$3,333 plus interest at prime plus 1.5%, secured by Band Council Resolution, due March 2017.	523,333	563,333
TD Canada Trust loan (23) for Grader equipment purchase, repayable in annual instalments of \$41,700 plus interest at 3.83%, secured by Band Council Resolution, due April 2016.	115,104	150,382
TD Canada Trust loan (28) for Apartment purchase, repayable in monthly instalments of \$2,917 plus interest at prime plus 1.5%, secured by Band Council Resolution, due March 2022.	280,000	315,000
Long Plain First Nation Community Trust loan for Arena and Rec Centre addition, non-interest bearing, repayable in annual instalments of \$100,000, secured by Band Council Resolution, due 2032.	1,800,000	1,900,000
TD Canada Trust loan (29) for band based capital, repayable in annual instalments of \$194,705 plus interest at 4.50%, secured by Band Council Resolution, due April 2017.	778,820	973,525
TD Canada Trust loan (26) for housing repairs, repayable in monthly instalments of \$2,778 plus interest at 4.50%, secured by Band Council Resolution, due December 2028.	491,667	-

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

	2014	2013
TD Canada Trust loan (30) for purchase of automotive equipment, repayable in monthly instalments of \$574 including interest at 3.86%, secured by Band Council Resolution, due May 2018.	26,275	-
Royal Bank of Canada loan for 39 unit lot development, payable in monthly instalments of \$10,000 plus interest at prime plus 2.7%, secured by all personal property of the borrower, Band Council Resolution, and first ranking assignment in favour of bank of 100% of proceeds of AANDC, municipal, and utility grants, due September 30, 2022.	1,020,000	1,140,000
TD Canada Trust loan for irrigation project, payable in monthly instalments of \$15,390 including interest at 5.25%, secured by general security agreement, guarantee of advances from Long Plain First Nation and Arrowhead Development Corporation, and assignment of rents and leases from Long Plain First Nation and Long Plain Irrigation Management Company Ltd., due June 2020	983,575	1,102,161
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,731, including interest payable at 1.62%. Mortgage matures March 1, 2028 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (4A unit).	260,202	276,634
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,218, including interest payable at 2.63%. Mortgage matures June 1, 2031 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (4B unit).	369,096	385,812
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$1,883, including interest payable at 2.11%. Mortgage matures November 1, 2033 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (4C unit).	363,742	377,306
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,032, including interest payable at 1.92%. Mortgage matures February 1, 2029 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (5A unit).	316,381	334,702
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,033, including interest payable at 1.92%. Mortgage matures February 1, 2029 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (5B unit).	316,505	334,833
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,977, including interest at 2.97%. Mortgage matures March 1, 2036 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (5C unit).	577,213	595,603
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,691, including interest at 2.18%. Mortgage matures January 1, 2039 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (5D unit).	854,012	370,684
Canada Mortgage and Housing Corporation mortgage is not completely advanced to the Nation. Terms and conditions have not been negotiated. To be negotiated at a later date when funds have been completely advanced (5E unit).	222,257	-

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

	2014	2013
Industrial Alliance mortgage, repayable in monthly instalments of \$3,537 including interest at 5.00%. Mortgage matures December 1, 2017 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (6A unit).	142,055	180,050
TD Canada Trust mortgage, repayable in monthly instalments of \$2,507 including interest at 5.06%. Mortgage matures September 1, 2014 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (6B unit).	132,787	155,599
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,501, including interest payable at 2.40%. Mortgage matures September 1, 2030 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (6C unit).	408,882	428,865
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,415, including interest at 2.68%. Mortgage matures January 1, 2036 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (6D unit)	677,320	699,919
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,715, including interest at 1.67%. Mortgage matures October 1, 2037 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (6E unit)	868,380	902,240
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$2,897, including interest payable at 1.65%. Mortgage matures February 1, 2027 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (7A unit).	404,273	432,139
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,650, including interest payable at 1.62%. Mortgage matures March 1, 2033 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (7B unit).	716,339	748,296
Peace Hills Trust mortgage, repayable in monthly instalments of \$5,165 including interest at 4.75%. Mortgage matures October 1, 2015 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (10A unit).	94,862	151,177
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$3,212, including interest payable at 1.65%. Mortgage matures June 1, 2032 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (10B unit)	607,352	635,658
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$6,365, including interest payable at 2.65%. Mortgage matures February 1, 2035 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (11 unit).	1,246,980	1,289,878
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$4,580, including interest at 2.61%. Mortgage matures August 1, 2021 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (12AC unit).	370,391	415,104

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

	2014	2013
Peace Hills Trust mortgage, repayable in monthly instalments of \$3,911 including interest at 3.95%. Mortgage matures May 1, 2018 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (12B unit).	257,596	293,846
TD Canada Trust mortgage, repayable in monthly instalments of \$4,491 including interest at 5.00%. Mortgage matures April 1, 2015 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (12P unit).	146,136	191,538
Peace Hills Trust mortgage, repayable in monthly instalments of \$5,160 including interest at 4.55%. Mortgage matures January 1, 2017 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (14 unit).	236,721	281,933
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$4,723, including interest payable at 1.67%. Mortgage matures June 1, 2033 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (15A unit).	932,986	972,247
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$5,113, including interest payable at 2.35%. Mortgage matures July 1, 2033 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (15B unit).	953,522	988,873
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$5,353, including interest payable at 2.35%. Mortgage matures September 1, 2033 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (16A unit).	1,004,977	1,043,672
Canada Mortgage and Housing Corporation mortgage, repayable in monthly instalments of \$6,084, including interest payable at 1.64%. Mortgage matures February 1, 2032 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (19 unit).	1,133,097	1,187,099
TD Canada Trust mortgage, repayable in monthly instalments of \$9,685 including interest at 4.18%. Mortgage matures June 1, 2014 and is secured by Band Council Resolution redirecting all AANDC funding and Ministerial loan guarantee (24 unit).	28,847	141,330
	20,161,685	19,959,438

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

	Principal
2015	8,297,849
2016	1,518,000
2017	1,501,000
2018	1,447,000
2019	1,180,000

The terms of the TD Canada Trust loans excluding the loans subject to Ministerial loan guarantees amounting to \$7,282,900 require that certain measurable covenants be met. As at August 28, 2014, it is possible the First Nation may fail to satisfy certain covenants at the next future compliance date. It is not known for certain whether the covenants have been violated as TD Canada Trust calculates and enforces covenants on a client specific basis and may utilise exceptions that are unknown at August 26, 2014. Failure to satisfy certain covenants may result in demand for repayment by the lender.

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

12. Construction in Progress

During the year, the Nation completed construction on the aerated lagoon project (\$11,891,978 - 2013).

During the year, the Nation completed the construction of the 5D unit housing project (\$340,886 - 2013).

Also during the year, the Nation began construction on the 5E unit housing project. The project does not have an estimated date of completion. At the time of completion, the balance of the construction in progress account will be reallocated to tangible capital assets. As at March 31, 2014, \$280,779 has been invested in the housing project (\$nil - 2013).

No amortization has been taken on these assets that are under construction.

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

13. Accumulated surplus

Accumulated surplus consists of the following:

	<i>Operating Fund</i>	<i>Capital Asset Fund</i>	<i>Enterprise Fund</i>	<i>Moveable assets Reserve</i>	<i>CMHC Replacement reserve</i>	<i>Trust Funds</i>	<i>Share capital</i>	<i>2014 Total</i>	<i>2013 Total</i>
Beginning of year, as previously stated	3,742,976	33,256,297	3,955,471	123,109	578,072	23,459	600	41,679,984	35,142,406
Correction of an error (Note #21)	179,199	(150,534)	(179,199)	-	-	-	-	(150,534)	42,594
Beginning of year, as restated	3,922,175	33,105,763	3,776,272	123,109	578,072	23,459	600	41,529,450	35,185,000
Program transfers	-	-	-	-	-	-	-	-	-
Issuance of share capital	-	-	-	-	-	-	-	-	-
Current year surplus (deficit)	(12,577,154)	9,472,118	349,696	(1,077)	74,044	316	-	(2,682,057)	6,494,984
	(8,654,979)	42,577,881	4,125,968	122,032	652,116	23,775	600	38,847,393	41,679,984

Accumulated surplus by segment consists of the following:

Long Plain First Nation Tribal Council	(3,683,109)	32,458,017	-	-	-	23,775	-	28,798,683	31,389,691
Long Plain First Nation Social Services	(949,514)	-	-	-	-	-	-	(949,514)	(2,209,671)
Long Plain First Nation Housing C.M.H.C.	(1,173,289)	391,567	-	-	652,116	-	-	(129,606)	(482,832)
Long Plain First Nation Housing Administration	(103,491)	6,786,374	-	-	-	-	-	6,682,883	7,775,788
Long Plain First Nation Non Insured Health Benefits	(360,243)	254,871	-	-	-	-	-	(105,372)	(102,393)
Long Plain First Nation Health Services	(370,752)	370,997	-	122,032	-	-	-	122,277	222,241
Long Plain First Nation Education Authority	(1,020,629)	65,711	-	-	-	-	-	(954,918)	(703,137)
Long Plain First Nation Employment and Training	31,935	42,466	-	-	-	-	-	74,401	69,567
Long Plain First Nation Post Secondary	(593,654)	7,500	-	-	-	-	-	(586,154)	(236,791)
Long Plain First Nation Gaming Commission	29,119	-	-	-	-	-	-	29,119	50,639
Long Plain Irrigation Management Company Ltd.	(296,762)	2,428,666	-	-	-	-	400	2,132,304	2,343,760
Long Plain General Partner Inc.	(164,490)	(228,288)	-	-	-	-	100	(392,678)	(392,349)
Long Plain Heavy Equipment Services Inc.	(100)	-	-	-	-	-	100	-	-
Investment in Business Enterprises	-	-	4,125,968	-	-	-	-	4,125,968	3,955,471
	(8,654,979)	42,577,881	4,125,968	122,032	652,116	23,775	600	38,847,393	41,679,984

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

14. Equity in CMHC Reserves

Operating Reserves

The First Nation's CMHC Housing Program receives funding pursuant to the post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operations of houses under this Program.

Replacement Reserve

As required as part of the First Nation's CMHC Housing Program, a replacement reserve has been established for replacement of capital equipment and for major repairs to the houses. The entire balance of \$652,116 in this replacement reserve is unfunded at March 31, 2014.

15. Government transfers

During the year, the First Nation recognized the following government transfers as per revenue confirmations:

	2014	2013
Aboriginal Affairs and Northern Development Canada - operational program funding	12,482,097	11,595,594
Aboriginal Affairs and Northern Development Canada - capital program funding	-	1,221,046
Aboriginal Affairs and Northern Development Canada - 2011 / 2012 flood relief funding	-	2,909,572
Health Canada - operational program funding	2,143,876	2,287,094
Canada Mortgage and Housing Corporation - operational program funding	934,897	952,704
	15,560,870	18,966,010

16. Supplemental cash flow information

During the year, interest paid was \$790,382 (2013 - \$921,220).

17. Economic dependence

Long Plain First Nation receives substantially all of its revenue from the Government of Canada as a result of treaties entered into with the Government of Canada. These treaties are administered by Aboriginal Affairs and Northern Development Canada 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.

18. Budget information

Canadian public sector accounting (PSA) standards require the disclosure of budget information for comparison to the First Nation's actual revenue and expenses. The Nation's Housing Administration and Housing CMHC program's budgeted revenue and expenses, and deficit have not been reported in these financial statements. All other budgets shown in these financial statements have not been formally approved by Chief and Council through a band council resolution. While having no effect on reported revenue, expenses, and deficit, omission of this information is considered a departure from PSA standards.

19. Comparative figures

Certain figures on the 2013 consolidated financial statements have been reclassified to conform with the 2014 consolidated financial statement presentation.

Long Plain First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

20. Related party transactions

During the year, the First Nation rented office space in the amount of \$25,208 (2013 - nil), rented automotive equipment in the amount of \$22,065 (2013 - \$51,247) from Arrowhead Development Corporation, and wrote off accounts receivable amounting to \$542,744 (\$0 - 2013) from Long Plain First Nation Social Services. Also during the year, the First Nation received contributions and donations from Arrowhead Development Corporation in the amount of \$1,539,875 (2013 - \$1,482,992) that was dispersed among various programs within the First Nation.

At year-end, the First Nation had recorded trade accounts receivable in the amount of \$12,540 (2013 - \$32,016) from Arrowhead Development Corporation.

At year-end, the First Nation has recorded trade accounts payable in the amount of \$511,112 (2013 - \$961,254) to Arrowhead Development Corporation.

Long Plain First Nation and Arrowhead Development Corporation are related parties by virtue of common control. The above noted transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

21. Correction of an error

During the year, the First Nation determined that there were errors in the prior year financial statements. Within Long Plain First Nation Housing CMHC, accumulated amortization was understated by \$150,534. The impact of these corrections has resulted in the following:

- An increase in accumulated amortization amounting to \$395,526 and a increase in accumulated deficit amounting to \$395,528 for the year ended March 31, 2012.
- A decrease in accumulated amortization amounting to \$244,992 and a decrease in amortization expense amounting to \$244,992 for the year ended March 31, 2013.

22. Contingent liabilities

These consolidated financial statements are subject to review by the Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

23. Loan guarantees

As at March 31, 2014, the First Nation has guaranteed term loans amounting to \$3,038,052 (2013 - \$3,340,228) relating to Arrowhead Development Corporation, a Nation government business enterprise, up to a maximum of \$5,498,995 and is collateralized by a promissory note co-signed by the First Nation and by first claim to all present and after acquired property of the First Nation. Payment under this guarantee, which will remain in place until the loans are repaid, is required if the government business enterprise defaults on its loan terms. As at March 31, 2014, no liability has been recorded associated with this guarantee.

As at March 31, 2014, the First Nation has guaranteed the term loan amounting to \$1,590,527 (2013 - \$2,024,307) relating to 6089292 Manitoba Ltd., a Nation government business enterprise, unlimited in amount. Payment under this guarantee, which will remain in place until the loans are repaid, is required if the government business enterprise defaults on its loan terms. As at March 31, 2014, no liability has been recorded associated with this guarantee.