

**Canupawakpa Dakota Nation
Consolidated Financial Statements**

March 31, 2015

Canupawakpa Dakota Nation Contents

For the year ended March 31, 2015

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Management's Responsibility

To the Members of Canupawakpa Dakota Nation:

The accompanying consolidated financial statements of Canupawakpa Dakota 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 policies 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 Canupawakpa Dakota Nation 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 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 19, 2015

A handwritten signature in blue ink, appearing to be a stylized 'C' or 'M' followed by a signature, is placed over a horizontal line.

Chief Financial
Officer

Independent Auditors' Report

To the Members of Canupawakpa Dakota Nation:

We were engaged to audit the accompanying consolidated financial statements of Canupawakpa Dakota Nation, which comprise the consolidated statement of financial position as at March 31, 2015, 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 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 conducting an audit in accordance with Canadian generally accepted auditing standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

Due to limited access to supporting accounting records relating to March 31, 2014 fiscal year, we were not able to satisfy ourselves by alternative means concerning the balances as at April 1, 2014. We were not able to obtain the records for two entities which the First Nation controls (Canupawakpa Housing Authority Inc. and Pipestone Creek Development Corporation) and therefore these records have not been included in the consolidated statements. Due to limited access to supporting accounting records related to the March 31, 2015 fiscal year, we were not able to obtain sufficient appropriate audit evidence related to the existence and completeness of accounts payables and accruals, occurrence and completeness of expenses and occurrence of other revenues.

As a result of the above noted matters, we were unable to determine the extent of adjustments that would have been found necessary in respect of the elements making up the consolidated statement of financial position, consolidated statement of operations and accumulated surplus, consolidated statement of changes in net debt and the consolidated statement of cash flows.

In addition to the above noted matters, the First Nation's consolidated financial statement of operations and consolidated statement of changes in net debt do not present a comparison of the results for the accounting period with those originally planned, which constitutes a departure from Canadian public sector accounting standards.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements.

Other Matter

The prior years figures were audited by another firm of Chartered Professional Accountants who expressed a qualified opinion in their report dated November 27, 2014.

Winnipeg, Manitoba

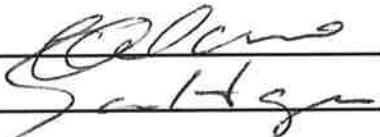
October 19, 2015

MNP LLP
Chartered Professional Accountants

Canupawakpa Dakota Nation
Consolidated Statement of Financial Position
As at March 31, 2015

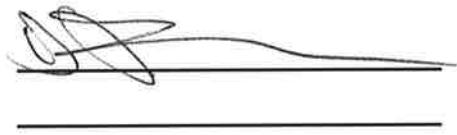
	2015	2014
Financial assets		
Cash	135,410	166,925
Accounts receivable (Note 3)	526,098	318,100
Restricted cash (Note 4)	49,578	28,467
	711,086	513,492
Liabilities		
Bank indebtedness (Note 5)	45,219	-
Accounts payable and accruals (Note 6)	1,264,043	768,848
Deferred revenue (Note 7)	177,998	243,275
Long-term debt (Note 8)	2,383,767	2,730,702
	3,871,027	3,742,825
Net debt	(3,159,941)	(3,229,333)
Contingencies (Note 9)		
Non-financial assets		
Tangible capital assets (Note 10) (Schedule 1)	7,657,394	8,426,649
Accumulated surplus (Note 11)	4,497,453	5,197,316

Approved on behalf of the Chief and Council



Chief

Councillor



Councillor

Councillor

Canupawakpa Dakota Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2015

	<i>Schedules</i>	2015	2014
Revenue			
Aboriginal Affairs and Northern Development Canada (Note 12)		3,940,567	3,506,112
First Nations and Inuit Health (Note 13)		849,328	1,153,675
VLT revenues net of payouts		689,290	665,056
Other revenue		331,708	462,084
Rent		296,314	167,838
Canada Mortgage and Housing Corporation		215,142	231,233
Province of Manitoba		174,326	100,745
First Peoples Development Inc.		163,844	164,253
Deferred revenue in prior year (Note 7)		243,275	322,600
Deferred revenue to subsequent year (Note 7)		(177,998)	(243,275)
Funding recovery		(1,000)	-
		6,724,796	6,530,321
Segment expenses			
Health	4	897,582	818,803
Gaming	5	940,771	879,937
Community Services	6	1,115,390	804,542
Economic Development	7	64,545	113,308
Social	8	1,146,224	940,512
Subsidized Housing	9	425,721	577,278
Governance	10	738,636	496,092
Education	11	1,916,919	1,687,244
Other	12	178,871	319,058
		7,424,659	6,636,774
Deficit before other items		(699,863)	(106,453)
Gain on disposal of tangible assets		-	40,740
Deficit		(699,863)	(65,713)
Accumulated surplus, beginning of year		5,197,316	5,263,029
Accumulated surplus, end of year		4,497,453	5,197,316

The accompanying notes are an integral part of these financial statements

Canupawakpa Dakota Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2015

	2015	2014
Deficit	(699,863)	(65,713)
Purchases of tangible capital assets	(65,159)	(389,109)
Amortization of tangible capital assets	834,414	789,100
Gain on sale of tangible capital assets	-	(40,740)
Proceeds of disposal of tangible capital assets	-	150,504
	769,255	509,755
Use of prepaid expenses	-	4,023
Decrease in net debt	69,392	448,065
Net debt, beginning of year	(3,229,333)	(3,677,398)
Net debt, end of year	(3,159,941)	(3,229,333)

The accompanying notes are an integral part of these financial statements

Canupawakpa Dakota Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2015

	2015	2014
Cash provided by (used for) the following activities		
Operating activities		
Deficit	(699,863)	(65,713)
Non-cash items		
Amortization	834,414	789,100
Deferred revenue to subsequent year	177,998	243,275
Deferred revenue in prior year	(243,275)	(322,600)
Gain on disposal of tangible capital assets	-	(40,740)
	69,274	603,322
Changes in working capital accounts		
Accounts receivable	(207,998)	(261,774)
Prepaid expenses	-	4,023
Accounts payable and accruals	495,195	246,276
	356,471	591,847
Financing activities		
Advances of long-term debt	-	126,751
Repayment of long-term debt	(346,935)	(328,110)
Change in restricted cash	(21,111)	5,718
	(368,046)	(195,641)
Capital activities		
Purchases of tangible capital assets	(65,159)	(389,109)
Proceeds of disposal of tangible capital assets	-	150,504
	(65,159)	(238,605)
Increase (decrease) in cash resources	(76,734)	157,601
Cash resources, beginning of year	166,925	9,324
Cash resources, end of year	90,191	166,925
Cash resources are composed of:		
Cash	135,410	166,925
Bank indebtedness	(45,219)	-
	90,191	166,925

The accompanying notes are an integral part of these financial statements

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

1. Operations

The Canupawakpa Dakota Nation (the "First Nation") is located in the Province of Manitoba, and provides various services to its members.

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 Canupawakpa Dakota 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 Canupawakpa Dakota 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:

- Canupawakpa Dakota Nation Government
- Canupawakpa Dakota Nation Housing Authority
- Canupawakpa Dakota Nation Gaming
- Canupawakpa Dakota Nation Health Department

All inter-entity balances and transactions have been eliminated upon consolidation.

Basis of presentation

Sources of financing and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes collectable and is 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. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

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.

Non-financial assets

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

Funds held in Ottawa Trust Fund

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.

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

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

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Tangible capital assets are amortized annually using the straight line method at the following rates intended to amortize the cost of the assets over their estimated useful lives:

Buildings	25 years
Vehicles	5 years
VLTs	7 years
Equipment	15 years
Communications equipment	5 years
Housing	25 years
Land improvements	30 years
Roads	40 years

Long-lived assets

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

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

Revenue recognition

Government transfers

Government transfer revenue, including Aboriginal Affairs and Northern Development Canada, First Peoples Development Inc., Canada Mortgage and Housing Corporation, Province of Manitoba and First Nations and Inuit Health, is recognized as it 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 recognized in the year in which qualifying expenses have been incurred.

Other revenue

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 allowance for doubtful accounts for amounts designated as unlikely to be collected..

Other revenue is recognized by the First Nation when services are provided or goods are shipped and collectability is reasonably assured.

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

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 evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of tangible capital assets. 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 and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

Segments

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

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

The First Nation's segments are as follows:

Health - activities include the delivery of programs to promote community-based health.

Gaming - provide a form of gaming entertainment for community members which generates revenue for discretionary needs of the members.

Community Services - reports on the infrastructure repairs and upgrades as well as municipal services

Economic Development - reports on services that enhance economic development.

Social Development - activities include satisfying the economic, social and health related needs of community members.

Subsidized Housing - reports on the maintenance and management of CMHC Housing Authority.

Governance - reports on band support and benefits programs.

Education - reports on the operational of education programs within the community and external.

Other - reports on various activities performed by the First Nation

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 along with related expenses.

Employee future benefits

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

Financial instruments

Financial instruments include cash, accounts receivable, restricted cash, bank indebtedness, accounts payable and accruals, 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. Unless otherwise stated, the book value of the First Nation's financial assets and liabilities approximates their fair value due to the short-term maturities of the instruments. The fair value of the First Nation's long-term debt is approximated by its carrying value as the terms and conditions of similar instruments are not materially different from those associated with the First Nation's long-term debt.

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

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, 2015.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are 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.

Previously, no accounting policy existed to account for a liability for contaminated sites. Effective April 1, 2014, the First Nation adopted the recommendation relating to PS 3260, Liability for Contaminated Sites, as set out in the Canadian public sector accounting standards. Pursuant to the recommendations, the change in accounting policy was applied prospectively, and prior periods have not been restated.

There was no effect on the First Nation's consolidated financial statements of adopting the above-noted change in accounting policy.

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.

3. Accounts receivable

	2015	2014
Aboriginal Affairs and Northern Development Canada (AANDC) - per confirmation	418,682	291,419
Other accounts receivable	446,810	299,591
Less: Allowance for doubtful accounts	(339,394)	(272,910)
	526,098	318,100

The allowance for doubtful accounts relates to specific items included in other accounts receivable.

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

4. Restricted cash

	2015	2014
CMHC replacement reserve		
Balance in restricted bank account	49,413	28,325
Ottawa Trust		
Restricted bank account	165	142
	49,578	28,467

CMHC replacement reserve

In accordance with the agreements between the First Nation and Canada Mortgage and Housing Corporation (CMHC), a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. The replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The First Nation is not in compliance with its agreement with CMHC. The agreement required that the First Nation maintain a separate bank account to fund the full amount of the CMHC replacement reserve. At year end a separate bank account was underfunded by \$570,972 (2014 - \$544,284).

CMHC operating surplus reserve

In accordance with the agreements between the First Nation and Canada Mortgage and Housing Corporation (CMHC), a separate bank account must be established to fund a required operating surplus reserve, as determined in accordance with the agreements. The operating surplus reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The First Nation is not in compliance with its agreement with CMHC. The agreement required that the First Nation maintain a separate bank account to fund the full amount of the CMHC operating surplus reserve. At year end a separate bank account had not yet been established to fund the reserve, resulting in an unfunded reserve of \$159,770 (2014 - \$169,831).

Ottawa Trust

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

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

5. Bank indebtedness

	2015	2014
Cheques issued in excess of cash on hand	37,631	-
Bank overdraft to a maximum of \$100,000 bearing interest at prime (2.85) plus 4%.	7,588	-
	45,219	-

6. Accounts payable and accruals

	2015	2014
Aboriginal Affairs and Northern Development Canada	-	68,108
Employee wage government remittances	71,374	66,710
First Nation and Inuit Health	-	23,134
Other trade payables	1,192,669	610,896
	1,264,043	768,848

7. Deferred revenue

	2015	2014
AANDC - Post secondary	134,478	84,190
AANDC - Student transportation	-	9,575
AANDC - Ancillary support	-	145,713
AANDC - Service delivery	-	3,797
AANDC - Economic development	43,520	-
	177,998	243,275

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

8. Long-term debt

	2015	2014
Payment of \$8,070 per month, including interest 4.52%, maturing May 2015, secured by a Ministerial guarantee and an assignment of fire insurance.	16,110	109,931
Payments of \$1,930 per month, including interest at 3.41%, maturing February 2018, secured by a Ministerial guarantee and an assignment of fire insurance.	64,226	84,827
Payments of \$2,239 per month, including interest at 4.58%, maturing September 2015, secured by a Ministerial guarantee and an assignment of fire insurance.	13,275	38,897
Payments of \$2,067 per month, including interest at 4.60%, maturing June 2018, with a scheduled renewal date of June 2016, secured by a Ministerial guarantee and an assignment of fire insurance.	75,155	96,102
Payments of \$5,379 per month, including interest at 3.95%, maturing April 2021, with a scheduled renewal date of April 2018, secured by a Ministerial guarantee and an assignment of fire insurance.	350,099	400,070
Payments of \$3,249 per month, including interest at 1.67%, maturing February 2027, with a scheduled renewal date of April 2017, secured by Ministerial guarantee and an assignment of fire insurance.	420,970	453,306
Payments of \$1,156 per month, including interest at 1.12%, maturing January 2030, with a scheduled renewal date of February 2020, secured by a Ministerial guarantee and an assignment of fire insurance.	189,575	200,429
Payments of \$1,335 per month, including interest at 2.65%, maturing March 2031, with a scheduled renewal date of April 2016, secured by a Ministerial guarantee and an assignment of fire insurance.	208,894	219,746
Payments of \$1,292 per month including interest at 1.71%, maturing July 2032, with a scheduled renewal date of September 2017, secured by a Ministerial guarantee and an assignment of fire insurance.	232,478	244,264
Payments of \$1,215 per month, including interest at 2.35%, maturing September 2033, with a scheduled renewal date of September 2018, secured by a Ministerial guarantee and an assignment of fire insurance.	218,811	228,610
Payments of \$1,101 per month, including interest at 2.11%, maturing October 2033, with a scheduled renewal date of January 2019, secured by a Ministerial guarantee and an assignment of fire insurance.	203,015	212,235
Manitoba Lotteries Commission term loan repayable in weekly installments of \$1,115 including interest of 2.35%, secured by VLT equipment with a net book value of \$252,055 (2014 - \$309,630), maturing January 8, 2020.	264,408	315,534
iFund Diversified Lending Corporation term loan, interest at 12%, secured by four residential housing properties, repayable on demand.	<u>126,751</u>	<u>126,751</u>
	2,383,767	2,730,702

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

8. 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:

2016	264,000
2017	239,000
2018	243,000
2019	210,000
2020	196,000

9. Contingent liabilities

The First Nation is subject to funding recoveries according to their agreements with federal government agencies. At year-end, it was not yet determined to what extent any funding amounts related to the year ending March 31, 2015 might be recovered by these agencies.

At March 31, 2015, the First Nation has determined that some contaminated sites exist, however, no determination has been made as to whether the contamination exceeds an environmental standard that the First Nation is required to comply with. Also, the First Nation does not consider themselves to be responsible and have not accepted responsibility. As a result, no liability regarding the contaminated sites is recorded in these financial statements. If and when it is determined that a liability exists, the liability will be recorded in the period in which such a determination is made, in accordance with the accounting policy described in Note 2.

The First Nation is required to post its consolidated financial statements on a website and submit the consolidated financial statements to AANDC by July 29, 2015. 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.

10. Segment information on tangible capital assets

Tangible capital assets are assigned to the First Nation's segments in accordance with management's determination, as to the activities and services that will be facilitated as a result of ongoing ownership of the assets. The net book value of tangible capital assets assigned to each segment is as follows:

	2015	2014
Subsidized Housing	1,934,810	2,346,215
Health	754,896	822,312
Gaming	252,054	309,630
Economic Development	1,062,728	1,111,034
Community Services	3,652,906	3,837,458
	<hr/>	<hr/>
	7,657,394	8,426,649

11. Accumulated surplus

	2015	2014
Invested in capital assets	5,273,627	5,695,947
Ottawa Trust	165	142
CMHC reserves	780,155	741,991
Accumulated deficit from operations	(1,556,494)	(1,240,764)
	<hr/>	<hr/>
	4,497,453	5,197,316

Canupawakpa Dakota Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

12. AANDC revenue

AANDC revenue recorded on the financial statements in the year ended March 31, 2015 and in the year ended March 31, 2014 agrees to the amounts stated on the year-end AANDC funding confirmation.

13. FNIH revenue

FNIH recorded on the financial statement in the year ended March 31, 2015 and in the year ended March 31, 2014 agrees to the amounts stated on the year-end FNIH funding confirmation.

14. 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.

At year-end, 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 financial statements.

15. Economic dependence

The First Nation receives a significant portion of its revenue from Aboriginal Affairs and Northern Development Canada ("AANDC") and First Nations and Inuit Health ("FNIH").

The revenue is provided as a result of Treaties entered into with the Government of Canada. These Treaties are administered by AANDC and FNIH under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

16. Defined contribution pension plan

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

17. Comparative figures

Certain of the prior year comparative figures have been reclassified to conform to current year presentation.

Canupawakpa Dakota Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2015

	<i>Land</i>	<i>Buildings</i>	<i>Vehicles</i>	<i>VLTs</i>	<i>Equipment</i>	<i>Communications equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	225,586	2,315,086	628,424	404,939	380,575	46,750	4,001,360
Acquisition of tangible capital assets	-	-	-	-	29,645	35,514	65,159
Disposal of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	225,586	2,315,086	628,424	404,939	410,220	82,264	4,066,519
Accumulated amortization							
Balance, beginning of year	-	1,184,000	406,360	95,036	173,635	6,400	1,865,431
Annual amortization	-	132,394	41,468	57,848	21,716	12,300	265,726
Balance, end of year	-	1,316,394	447,828	152,884	195,351	18,700	2,131,157
Net book value of tangible capital assets	225,586	998,692	180,596	252,055	214,869	63,564	1,935,362
2014 Net book value of tangible capital assets	225,586	1,131,087	222,063	309,903	206,940	40,350	2,135,929

Canupawakpa Dakota Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2015

	<i>Subtotal</i>	<i>Housing</i>	<i>Land Improvements</i>	<i>Roads</i>	<i>2015</i>	<i>2014</i>
Cost						
Balance, beginning of year	4,001,360	11,791,911	1,648,662	98,845	17,540,778	17,263,669
Acquisition of tangible capital assets	65,159	-	-	-	65,159	389,109
Disposal of tangible capital assets	-	-	-	-	-	(112,000)
Balance, end of year	4,066,519	11,791,911	1,648,662	98,845	17,605,937	17,540,778
Accumulated amortization						
Balance, beginning of year	1,865,431	6,991,096	187,879	69,723	9,114,129	8,325,029
Annual amortization	265,726	519,248	47,505	1,935	834,414	789,100
Balance, end of year	2,131,157	7,510,344	235,384	71,658	9,948,543	9,114,129
Net book value of tangible capital assets	1,935,362	4,281,567	1,413,278	27,187	7,657,394	8,426,649
2014 Net book value of tangible capital assets	2,135,929	4,800,815	1,460,783	29,122	8,426,649	

Canupawakpa Dakota Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2015

	2015	2014
Consolidated expenses by object		
Amortization	834,414	789,100
Bad debts	73,038	10,989
Bank charges and interest	12,592	23,944
Community activities	130,585	175,578
Confectionary costs	256,179	223,138
Consultants and contractors	36,633	51,280
Honourariums	91,414	78,084
Insurance	155,325	133,557
Interest on long-term debt	67,299	100,132
Other	27,612	290,483
Professional fees	562,217	156,905
Repairs and maintenance	345,511	409,704
Salaries and benefits	1,734,259	1,626,473
Social assistance	1,058,199	868,507
Supplies	168,819	100,699
Telephone	40,393	33,618
Travel	228,564	297,822
Tuition	1,427,732	1,098,925
Utilities	79,135	112,239
Workshops and training	94,739	55,597
	7,424,659	6,636,774

Canupawakpa Dakota Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2015

	Revenue	Expenses	2015 Surplus (Deficit)	2014 Surplus (Deficit)
Segments (Schedules 4 to 12)				
Health	878,157	897,582	(19,425)	371,281
Gaming	934,768	940,771	(6,003)	16,999
Community Services	798,307	1,115,390	(317,083)	(391,526)
Economic Development	22,168	64,545	(42,377)	53,521
Social	1,146,032	1,146,224	(192)	44,932
Subsidized Housing	417,311	425,721	(8,410)	(192,001)
Governance	302,187	738,636	(436,449)	(166,485)
Education	1,722,902	1,916,919	(194,017)	14,109
Other	502,964	178,871	324,093	183,457
Total	6,724,796	7,424,659	(699,863)	(65,713)

The accompanying notes are an integral part of these financial statements

Canupawakpa Dakota Nation
Health
Schedule 4 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
First Nations and Inuit Health	849,328	1,153,675
Other revenue	14,829	22,409
Aboriginal Affairs and Northern Development Canada	14,000	14,000
	878,157	1,190,084
Expenses		
Amortization	67,420	63,124
Community activities	77,628	66,423
Insurance	-	5,710
Other	9,365	44,561
Professional fees	-	10,000
Repairs and maintenance	21,930	30,814
Salaries and benefits	525,190	469,333
Supplies	66,273	6,416
Telephone	1,223	-
Travel	105,325	93,613
Utilities	408	432
Workshops and training	22,820	28,377
	897,582	818,803
Surplus (deficit)	(19,425)	371,281

Canupawakpa Dakota Nation
Gaming
Schedule 5 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
VLT revenues net of payouts	689,290	665,056
Other revenue	245,478	231,880
	934,768	896,936
Expenses		
Amortization	57,848	63,541
Bank charges and interest	437	698
Community activities	47,920	63,362
Confectionary costs	255,211	223,138
Insurance	-	4,880
Interest on long-term debt	6,829	8,793
Other	18,203	825
Professional fees	19,499	2,501
Repairs and maintenance	83,056	79,590
Salaries and benefits	363,903	313,422
Supplies	25,962	43,925
Travel	17,470	21,751
Utilities	44,433	53,511
	940,771	879,937
Surplus (deficit)	(6,003)	16,999

Canupawakpa Dakota Nation
Community Services
Schedule 6 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Aboriginal Affairs and Northern Development Canada	798,307	395,103
Deferred revenue in prior year	-	17,913
	798,307	413,016
Expenses		
Amortization	386,479	359,704
Bank charges and interest	196	66
Consultants and contractors	17,373	-
Insurance	88,118	59,418
Other	-	70,806
Professional fees	255,392	-
Repairs and maintenance	84,115	127,724
Salaries and benefits	192,648	103,866
Supplies	44,400	14,029
Telephone	7,808	5,514
Travel	7,352	18,101
Utilities	31,270	44,487
Workshops and training	239	827
	1,115,390	804,542
Deficit	(317,083)	(391,526)

Canupawakpa Dakota Nation
Economic Development
Schedule 7 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Aboriginal Affairs and Northern Development Canada	65,688	108,908
Deferred revenue in prior year	-	57,921
Deferred revenue to subsequent year	(43,520)	-
	22,168	166,829
Expenses		
Amortization	48,306	-
Consultants and contractors	14,400	18,000
Honourariums	-	12,258
Other	-	36,020
Professional fees	-	25,620
Salaries and benefits	400	-
Supplies	-	756
Travel	1,439	20,654
	64,545	113,308
Surplus (deficit)	(42,377)	53,521

Canupawakpa Dakota Nation
Social
Schedule 8 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Aboriginal Affairs and Northern Development Canada	1,142,235	984,544
Deferred revenue in prior year	3,797	4,697
Deferred revenue to subsequent year	-	(3,797)
	1,146,032	985,444
Expenses		
Bank charges and interest	1,166	745
Salaries and benefits	74,901	60,977
Social assistance	1,058,199	868,507
Supplies	2,409	2,387
Telephone	1,258	900
Travel	8,291	6,996
	1,146,224	940,512
Surplus (deficit)	(192)	44,932

Canupawakpa Dakota Nation
Subsidized Housing
Schedule 9 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Canada Mortgage and Housing Corporation	215,142	231,233
Rent	199,776	147,844
Other revenue	2,393	6,200
	417,311	385,277
 Expenses		
Amortization	274,361	274,362
Bank charges and interest	-	4,028
Consultants and contractors	-	5,000
Insurance	59,705	47,040
Interest on long-term debt	58,148	65,552
Other	-	1,496
Professional fees	22,000	10,000
Repairs and maintenance	11,507	134,872
Salaries and benefits	-	25,612
Supplies	-	3,850
Travel	-	5,466
	425,721	577,278
 Deficit	(8,410)	(192,001)

Canupawakpa Dakota Nation
Governance
Schedule 10 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Aboriginal Affairs and Northern Development Canada	302,187	304,693
Other revenue	-	24,812
Deferred revenue in prior year	-	102
	302,187	329,607
Expenses		
Amortization	-	18,467
Bad debts	73,038	10,989
Bank charges and interest	10,353	5,582
Community activities	550	45,793
Confectionary costs	968	-
Consultants and contractors	4,860	24,480
Honourariums	91,414	65,826
Interest on long-term debt	2,322	-
Other	-	472
Professional fees	255,719	29,774
Repairs and maintenance	17,713	-
Salaries and benefits	184,917	237,934
Supplies	13,696	10,167
Telephone	25,347	20,962
Travel	52,372	22,305
Utilities	3,021	2,841
Workshops and training	2,346	500
	738,636	496,092
Deficit	(436,449)	(166,485)

Canupawakpa Dakota Nation
Education
Schedule 11 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Aboriginal Affairs and Northern Development Canada	1,618,149	1,698,864
Other revenue	753	-
Deferred revenue in prior year	239,478	241,967
Deferred revenue to subsequent year	(134,478)	(239,478)
Funding recovery	(1,000)	-
	1,722,902	1,701,353
Expenses		
Amortization	-	9,902
Bank charges and interest	308	215
Community activities	4,488	-
Consultants and contractors	-	3,800
Insurance	7,502	7,375
Other	44	90,663
Professional fees	9,608	15
Repairs and maintenance	123,548	34,941
Salaries and benefits	292,709	353,191
Supplies	11,184	12,187
Telephone	1,333	3,678
Travel	27,197	55,523
Tuition	1,427,732	1,098,925
Workshops and training	11,266	16,829
	1,916,919	1,687,244
Surplus (deficit)	(194,017)	14,109

Canupawakpa Dakota Nation
Other
Schedule 12 - Consolidated Schedule of Operations
For the year ended March 31, 2015

	2015	2014
Revenue		
Province of Manitoba	174,326	100,745
Other revenue	68,257	176,783
Rent	96,537	19,994
First Peoples Development Inc.	163,844	164,253
	502,964	461,775
Expenses		
Bank charges and interest	133	12,610
Insurance	-	9,134
Interest on long-term debt	-	25,787
Other	-	45,640
Professional fees	-	78,995
Repairs and maintenance	3,643	1,763
Salaries and benefits	99,590	62,138
Supplies	4,895	6,982
Telephone	3,423	2,564
Travel	9,119	53,413
Utilities	-	10,968
Workshops and training	58,068	9,064
	178,871	319,058
Surplus before gain on disposal of tangible capital assets	324,093	142,717
Gain on disposal of tangible capital assets	-	40,740
Surplus	324,093	183,457