

Rolling River First Nation  
Consolidated Financial Statements  
*March 31, 2014*

Rolling River First Nation  
Consolidated Contents  
For the year ended March 31, 2014

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2014

## Management's Responsibility

To the Chief and Council and Members of Rolling River First Nation

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

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

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

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

MNP LLP 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 Council and management to discuss their audit findings.

July 24, 2014

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Administrator

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Manager

## Independent Auditors' Report

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To the Chief and Council and Members of Rolling River First Nation:

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

### *Management's Responsibility for the Consolidated Financial Statements*

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

### *Auditors' Responsibility*

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

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

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rolling River 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.

Neepawa, Manitoba

July 24, 2014

*MNP LLP*  
Chartered Accountants

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

	2014	2013
<b>Financial assets</b>		
Current		
Cash and cash equivalents	160,728	93,314
Accounts receivable (Note 3)	295,567	687,149
Inventory for resale (Note 4)	43,894	45,624
	500,189	826,087
Funds held in Ottawa Trust (Note 5)	2,025	1,975
Patronage equity	10,000	10,000
Notes receivable (Note 6)	522,552	535,806
Moveable asset reserve (Note 7)	29,265	28,202
VLT administrative fee receivable (Note 8)	90,000	138,000
Investment in KRW Limited Partnership (Note 9)	1,183,436	1,149,046
<b>Total financial assets</b>	<b>2,337,557</b>	<b>2,689,116</b>
<b>Liabilities</b>		
Current		
Bank indebtedness (Note 10)	3,098	318,333
Accounts payable and accruals (Note 11)	984,312	1,098,760
Deferred revenue (Note 12)	846,048	848,486
	1,833,458	2,265,579
Long-term debt (Note 13)	1,755,085	1,536,435
<b>Total liabilities</b>	<b>3,588,543</b>	<b>3,802,014</b>
<b>Net debt</b>	<b>(1,250,976)</b>	<b>(1,112,898)</b>
Contingencies (Note 20)		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	17,385,918	18,010,299
Prepaid expenses (Note 14)	43,112	41,939
<b>Total non-financial assets</b>	<b>17,429,030</b>	<b>18,052,238</b>
<b>Accumulated surplus</b>	<b>16,178,054</b>	<b>16,939,340</b>

Approved on behalf of the Board

Chief

Councillor

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

	<i>Schedules</i>	<i>2014</i>	<i>2014</i>	<i>2013</i>
<b>Revenue</b>				
Aboriginal Affairs and Northern Development Canada (Note 15)	3,869,713	3,913,875	3,708,830	
Health Canada (Note 15)	1,145,610	1,236,024	1,487,283	
Canada Mortgage and Housing Corporation	-	28,940	18,100	
First Peoples' Development Inc.	270,889	265,885	270,889	
Additional government funding	54,426	67,368	54,426	
Natural Resources	-	1,207	3,546	
Rebates	-	135,188	104,114	
Investment income	-	13,291	17,447	
Tribal council	-	6,500	6,000	
TLE trust funds	-	-	332,439	
User fees	-	11,183	12,644	
Lease income	-	105,239	98,050	
Bad debt recovery	-	28,894	140	
Rental income	-	140,490	122,359	
Instruction	-	-	10,183	
Band revenue funds	-	13,603	13,645	
PM Associates training grant	-	100	797	
Administration fees	-	33,800	47,900	
Repayment of funding	-	(53,603)	(23,975)	
Miscellaneous	-	4,379	15,411	
Revenue trust funds	-	257,877	3,137,164	
Contribution from joint partnership	-	(8,795)	-	
Cultural Education Program	-	19,550	21,679	
Decommissioned receivables	-	-	(116,095)	
Gain (loss) on disposal of tangible capital assets	-	-	8,525	
Earnings (loss) from investment in Nation business entities	-	7,390	16,970	
Income from Rolling River Trucking	450,000	109,698	252,625	
Income from Southquill Gaming Centre	4,300,000	4,650,168	4,221,449	
Income from Southquill Gas Bar	1,056,025	858,857	1,056,025	
Income from Southquill Restaurant	300,000	451,981	351,850	
Income from Swoop n Scoop	-	-	6,495	
Deferred revenue - current year (Note 12)	-	(846,048)	(848,486)	
Deferred revenue - prior year (Note 12)	-	848,486	1,587,461	
	11,446,663	12,301,327	15,995,890	
<b>Expenses</b>				
Southquill Health Services	1,194,298	1,331,653	1,552,070	
Post Secondary	348,050	410,066	347,848	
Social Services	390,750	401,449	390,582	
Operations	4,353,850	4,963,561	5,008,547	
Business	6,071,840	5,955,884	6,021,068	
<b>Total expenses (Schedule 2)</b>	12,358,788	13,062,613	13,320,115	
<b>Operating surplus (deficit)</b>	(912,125)	(761,286)	2,675,775	
<b>Accumulated operating surplus, beginning of year</b>	-	16,939,340	14,263,565	
<b>Accumulated operating surplus, end of year</b>	(912,125)	16,178,054	16,939,340	

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

	2014	2014	2013
Annual operating surplus (deficit)	-	(761,286)	2,675,775
Purchases of tangible capital assets	-	(342,529)	(3,538,740)
Amortization of tangible capital assets	849,000	943,725	957,947
Gain (loss) on sale of tangible capital assets	-	23,185	(8,525)
	849,000	624,381	(2,589,318)
Acquisition of prepaid expenses	-	(43,113)	(36,000)
Use of prepaid expenses	-	41,940	23,281
	-	(1,173)	(12,719)
Decrease (increase) in net debt	849,000	(138,078)	73,738
Net debt, beginning of year	-	(1,112,898)	(1,186,636)
Net debt, end of year	849,000	(1,250,976)	(1,112,898)

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

2014                      2013

**Cash provided by (used for) the following activities**

<b>Operating activities</b>		
Cash receipts from contributors	12,690,472	15,535,800
Cash paid to suppliers	(9,780,661)	(9,972,038)
Cash paid to employees	(2,394,816)	(2,362,672)
Interest on long-term debt	(31,602)	(25,313)
	<b>483,393</b>	<b>3,175,777</b>
<b>Financing activities</b>		
Advances of current portion of long-term debt	1,379,270	-
Repayment of current portion of long-term debt	(1,160,620)	(396,550)
	<b>218,650</b>	<b>(396,550)</b>
<b>Capital activities</b>		
Purchases of tangible capital assets	(342,529)	(3,538,740)
Proceeds of disposal of tangible capital assets	23,185	8,525
	<b>(319,344)</b>	<b>(3,530,215)</b>
<b>Investing activities</b>		
Increase in restricted cash	(50)	(47)
Advance (repayment) of trust income	-	599,636
	<b>(50)</b>	<b>599,589</b>
<b>Increase (decrease) in cash resources</b>	<b>382,649</b>	<b>(151,399)</b>
<b>Cash resources, beginning of year</b>	<b>(225,019)</b>	<b>(73,620)</b>
<b>Cash resources, end of year</b>	<b>157,630</b>	<b>(225,019)</b>
<b>Cash resources are composed of:</b>		
Cash	160,728	93,314
Bank indebtedness	(3,098)	(318,333)
	<b>157,630</b>	<b>(225,019)</b>



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

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**1. Operations**

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

**2. Significant accounting policies**

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

***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.

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

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

- Rolling River Operations
- Southquill Health Services
- Rolling River Postsecondary
- Rolling River Social Services
- Southquill Gaming Centre
- Southquill Gas Bar
- Swoop n' Scoop
- Rolling River First Nation Trucking

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.

Investment in the KRW Limited Partnership is accounted for using the modified equity method.

***Cash resources***

Cash resources includes cash on hand and balances with banks net of bank overdraft.

***Inventory***

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

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2014, the First Nation has committed to sell the asset.
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

2. Significant accounting policies (Continued from previous page)

**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. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from their use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in operations for the year.

**Tangible capital assets**

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

**Amortization**

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

	Method	Rate
Buildings	straight-line	20 %
Housing	straight-line	4 %
Automotive	straight-line	20 %
Equipment	straight-line	20 %
Infrastructure	declining balance	2.5 %
Signage	declining balance	20 %

**Asset classification**

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

**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).

**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 considered necessary. Provisions are made for slow moving and obsolete inventory. 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.

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

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

**Revenue recognition**

**Funding**

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

**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.

**Financial Instruments**

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year. The First Nation has designated cash, accounts receivable, funds held in trust, investments, note receivable, moveable asset reserve, bank indebtedness, accounts payable and accruals, long-term debt to be subsequently measured at their amortized cost.

Transaction costs are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

All financial assets are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments, etc. in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value.

**Segments**

The First Nation conducts its business through 5 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- Operations - reports on general operations and maintenance programs in the First Nation
- Social Assistance - reports on social assistance programs
- Health - reports on health and wellness programs funded by Health Canada
- Postsecondary - reports on the operations of postsecondary programs
- Business - reports on the enterprises undertaken 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 as disclosed in Note 2 the *Significant accounting policies*.

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

3. Accounts receivable

	2014	2013
Aboriginal Affairs and Northern Development Canada	-	325,698
Health and Welfare Canada	-	1,100
Other government agencies	184,046	199,251
Members	63,665	88,278
Trade receivables	69,088	96,005
	316,799	710,332
Less: Allowance for doubtful accounts	21,232	23,183
	295,567	687,149

4. Inventory for resale

	2014	2013
Southquill Gaming Centre	11,162	15,448
Southquill Gas Bar	24,522	21,966
Rolling River Band Farm	8,210	8,210
	43,894	45,624

5. Funds held in Ottawa Trust

The Ottawa Trust account arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. Sections 63 to 69 of the Indian Act primarily govern the management of these funds.

	2014	2013
Balance, beginning of year	1,975	1,928
Interest earned	50	47
	2,025	1,975

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

**6. Notes receivable**

Amounts owing from the Rolling River First Nation TLE Trust are unsecured, non-interest bearing and due on demand provided that the request from Council conforms to the provisions set out in the trust agreement. These funds are available to the Rolling River First Nation under the Framework Agreement signed on May 29, 1997. The Framework Agreement also states that the revenue earned from the Treaty Land Entitlement will have no effect on existing or future funding for programs.

Section 39.01 of the Framework Agreement states:

(1) Nothing in this agreement shall affect the ability of an Entitlement First Nation to have access to programs and services offered by Canada and Manitoba on the same basis as other First Nations in Canada in accordance with the laws and policies established from time to time for those programs and services:

(2) For greater certainty, neither the amount of the federal payment, nor the income from the federal payment shall be factored into or considered in any negative manner in the determination of any amount of funding for any programs or services of Canada or Manitoba for which an Entitlement First Nation qualifies under the criteria for those programs or services

	2014	2013
Balance, beginning of year	535,806	1,135,442
Current year income (loss)	(13,154)	364
	<u>522,652</u>	<u>1,135,806</u>
Less: Transfers to Nation	-	600,000
Balance, end of year	<u>522,652</u>	<u>535,806</u>

**7. Moveable asset reserve**

	2014	2013
Balance beginning of year	28,202	27,170
Amount provided in agreement for MAR	1,063	1,032
	<u>29,265</u>	<u>28,202</u>

**8. VLT administrative fee receivable**

	2014	2013
VLT Administrative Fee	90,000	138,000

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

9. Investment in KRW Limited Partnership

	2014	2013
Balance, beginning of year	1,149,043	1,186,638
Add: Current year income (loss)	(8,795)	-
Add: Contributions/transfers	51,185	-
Less: Withdrawals/transfers	(8,000)	-
Less legal expenses	-	(37,592)
	<u>1,183,433</u>	<u>1,149,046</u>

10. Bank indebtedness

At March 31, 2014, the First Nation had lines of credit totaling \$200,000, none of which were drawn. The First Nation had outstanding cheques of \$6,056 (\$68,208 in 2013) at the end of the year which resulted in a bank indebtedness of \$3,098 (\$318,333 in 2013). The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Band Council Resolution redirecting all funds from Aboriginal Affairs and Northern Development Canada to the financial institution.

11. Accounts payable and accruals

	2014	2013
Trade payables	901,118	1,079,920
Payroll liabilities	15,737	12,719
Government remittances	23,854	3,540
AANDC payable	43,603	2,580
	<u>984,312</u>	<u>1,098,759</u>

12. Deferred revenue

	Balance March 31, 2013	Funding Received 2014	Other Revenue (loss) 2014	Revenue (loss) Recognized 2014	Balance March 31, 2014
<b>Federal Government</b>					
<b>Other projects</b>					
Health Canada - MCH	16,138	113,520	-	115,958	13,700
<b>Other</b>					
TLE Trust	832,348	-	(13,154)	(13,154)	832,348
	<u>848,486</u>	<u>113,520</u>	<u>(13,154)</u>	<u>102,804</u>	<u>846,048</u>

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

**13. Long-term debt**

	2014	2013
Volvo term loan payable in annual installments of \$47,054 including interest at 7.50%, secured by related asset with a net book value of \$89,354 (\$134,032 in 2013), due July 2015	44,813	87,467
First Nations Financial Services Inc. term loan payable in monthly installments of \$4,150 plus interest at 8.00%, secured by general security agreement, due December 2022.	316,237	339,286
First People's Economic Growth loan payable in monthly installments of \$2,344 including interest at 0%, secured by second charge general security agreement including assets at a net book value of \$400,990 (\$466,773 in 2013), due March 2022	260,642	262,410
Median Credit Union loan payable in monthly installments of \$26,099 including interest at 6.00%, secured by general security agreement, due May 2018.	1,133,393	-
CIBC term loan payable.	-	413,726
Term loan payable	-	234,519
CIBC fixed principal term loan payable.	-	106,675
CIBC fixed principal term loan payable.	-	65,250
Manitoba Lotteries Commission payable	-	27,102
	<u>1,755,085</u>	<u>1,536,435</u>

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

	Principal
2015	296,857
2016	267,590
2017	284,094
2018	301,616
2019	28,049

Interest on long-term debt amounted to \$31,602 (2013 - \$25,313)

Loan repayments to First Nations Financial Services Inc. and First People's Economic Growth did not occur and are currently being renegotiated.

**14. Prepaid expenses**

Prepaid expenses consist of April 2014 postsecondary participant allowances and Southquill Health honoraria payments.

**15. Government transfers**

During the year, the First Nation recognized the following government transfers:

	2014	2013
Aboriginal Affairs and Northern Development Canada	3,913,875	3,708,830
Health Canada	1,236,024	1,487,283
Canada Mortgage and Housing Corporation	28,940	18,100
	<u>5,178,839</u>	<u>5,214,213</u>

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

**16. Indian pension agreement**

The Rolling River First Nation has entered into an agreement with Aboriginal Affairs and Northern Development Canada for funding contributions for an employee registered pension plan for Aboriginal Affairs and Northern Development Canada funded employees. The following amounts relate to the agreement. Employees participating in the pensions agreement number 26. At year end, pension obligations of \$0 (\$4,263 in 2013) were outstanding and were confirmed paid subsequent to year end.

	2014	2013
Total eligible salaries	737,760	736,340
Private pension plan - employee	32,365	32,686

**17. Budget information**

The disclosed budget information has been approved by the Chief and Council and presented to the members of the Rolling River First Nation at the budget meeting held on November 12, 2013.

**18. Economic dependence**

Rolling River First Nation receives 32% (2013 - 23%) of its revenue from Aboriginal Affairs and Northern Development Canada (AANDC) and 10% (2013 - 9%) of its revenue from Health Canada as a result of Treaties entered into with the Government of Canada. These treaties are administered by AANDC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

**19. Comparative figures**

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

**20. 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.



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

	Buildings	Housing	Automotive	Equipment	Infrastructure	Land	Subtotal
<b>Cost</b>							
Balance, beginning of year	8,702,208	6,673,663	3,046,097	810,528	4,702,579	4,927,345	28,862,420
Acquisition of tangible capital assets	-	-	173,480	169,049	-	-	342,529
Disposal of tangible capital assets	-	-	(15,000)	-	-	-	(15,000)
Write down of tangible capital assets	-	-	-	-	-	(23,185)	(23,185)
Balance, end of year	8,702,208	6,673,663	3,204,577	979,577	4,702,579	4,904,160	29,166,764
<b>Accumulated amortization</b>							
Balance, beginning of year	3,115,515	2,945,630	2,244,370	345,092	2,004,006	-	10,855,613
Annual amortization	321,435	226,592	215,582	25,955	153,463	-	943,027
Accumulated amortization on disposals	-	-	(15,000)	-	-	-	(15,000)
Balance, end of year	3,436,950	3,173,222	2,444,952	571,047	2,157,469	-	11,783,640
<b>Net book value of tangible capital assets</b>	<b>5,265,258</b>	<b>3,500,441</b>	<b>759,625</b>	<b>408,530</b>	<b>2,545,110</b>	<b>4,904,160</b>	<b>17,383,124</b>
2013 Net book value of tangible capital assets	5,586,693	3,727,033	801,727	265,436	2,698,573	4,927,345	18,006,807

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

	Subtotal	Signage	2014	2013
<b>Cost</b>				
Balance, beginning of year	28,862,420	13,550	28,876,070	25,395,930
Acquisition of tangible capital assets	342,529	-	342,529	3,538,740
Disposal of tangible capital assets	(15,000)	-	(15,000)	(58,600)
Write down of tangible capital assets	(23,185)	-	(23,185)	-
Balance, end of year	29,166,764	13,650	29,180,414	28,876,070
<b>Accumulated amortization</b>				
Balance, beginning of year	10,855,513	10,158	10,865,771	9,974,947
Annual amortization	943,027	698	943,725	957,947
Accumulated amortization on disposals	(15,000)	-	(15,000)	(67,123)
Balance, end of year	11,783,640	10,856	11,794,496	10,865,771
<b>Net book value of tangible capital assets</b>				
	17,383,124	2,794	17,385,918	18,010,299
2013 Net book value of tangible capital assets	18,006,807	3,492	18,010,299	

**Rolling River First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2014*

	2014	2014	2013
<b>Consolidated expenses by object</b>			
Administration	80,525	134,749	173,510
Advertising	19,700	13,153	19,685
Allowances	65,700	106,350	69,067
Amortization	849,000	943,725	957,947
Automotive	29,000	41,537	33,400
Bad debts	2,300	34,053	2,337
Band elections	-	4,987	2,905
Band support	-	-	339,689
Bank charges and interest	18,600	83,621	140,514
Benefits	9,100	5,575	9,128
Building materials	123,100	120,698	139,095
Cash over/short	-	(156)	(285)
Computer	17,300	11,308	15,172
Construction management	-	-	47,610
Consulting	2,400	4,399	1,620
Contracted services	12,000	15,217	12,216
Donations	122,100	91,756	122,140
Dues and memberships	5,800	2,584	11,267
Elders fees	5,800	9,210	11,444
Employable income support	199,300	198,336	199,346
Food and beverage	9,400	10,867	9,350
Fuel	148,280	165,553	149,160
Funeral	400	6,506	400
Graduation	-	3,501	12,482
Honoraria	76,200	97,759	92,821
Instruction	56,900	77,680	48,077
Insurance	126,900	165,758	137,898
Interest on long-term debt	94,400	31,602	25,313
Lease payments	109,100	38,448	109,149
MLC Share	-	156,034	148,785
MLC registration fees	4,500	12,500	4,500
Miscellaneous	2,300	26,860	21,163
Off reserve travel	35,888	47,511	74,867
Office equipment lease	23,900	47,033	39,213
Office rent	16,600	16,944	20,186
Office supplies	73,200	50,293	63,521
Professional development	2,400	2,572	731
Professional fees	119,300	202,443	117,299
Program expense	172,295	190,079	203,878
Purchases	1,359,400	1,206,518	1,359,407
Rent	14,200	14,200	24,856
Repairs and maintenance	502,360	501,194	727,400
Salaries and benefits	2,319,362	2,394,816	2,362,672
Supplies	106,520	98,733	140,558
Telec reimbursement	-	-	10,384
Telephone	67,700	76,051	66,969
Training	9,318	7,922	11,328
Transportation	185,200	191,427	203,107
Travel	276,500	293,011	284,606
Tuition	1,237,470	1,199,322	1,081,689
Unemployable income support	101,500	108,057	101,482
User fees	1,400	2,527	1,361
Utilities	147,600	167,042	172,212
VLT payouts	3,348,800	3,569,830	3,128,376
Workshop	41,770	60,488	57,108
	<b>12,352,788</b>	<b>13,062,613</b>	<b>13,320,115</b>

# Rolling River First Nation

## Schedule 3 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2014

	Schedule #	AANDC Revenue	Other Revenue	Deferred Revenue	Total Revenue	Total Expenses	Adjustments/ Transfers From (To)	Current Surplus (Deficit)
Southquill Health Service	4	-	1,248,278	2,438	1,250,716	1,331,653	40,610	(40,327)
Post Secondary	5	341,015	746	-	341,761	410,066	-	(68,305)
Social Services	6	372,620	(22,464)	-	350,156	401,449	-	(51,293)
Operations	7	3,200,240	1,087,480	-	4,287,720	4,963,561	(40,610)	(716,451)
Business	8	-	6,070,974	-	6,070,974	5,955,884	-	115,090
<b>Total</b>		<b>3,913,875</b>	<b>8,385,014</b>	<b>2,438</b>	<b>12,301,327</b>	<b>13,062,613</b>	<b>-</b>	<b>(761,286)</b>