

**BARREN LANDS FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015**

BARREN LANDS FIRST NATION

MARCH 31, 2015

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MANAGEMENT'S RESPONSIBILITY

To the Members of Barren Lands First Nation:

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

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

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

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

September 30, 2015

Michael J. Jr.
Billy D. Jr.

Chief

Councillor

Ronnie Bennett
Wesley

Councillor

Councillor

AUDITORS' REPORT

To the Members of Barren Lands First Nation:

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

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


Zaplitny and Zamnykul,
Chartered Accountants

Dauphin, Manitoba
September 30, 2015

BARREN LANDS FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

| | 2015 | 2014 |
|---|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Restricted Cash - Note 3 | \$ 234,057 | \$ 210,682 |
| Accounts Receivable - Note 4 | 274,744 | 530,835 |
| Fuel Inventory | 477,994 | 525,771 |
| Long-Term Investments - Note 5 | 10 | 10 |
| Due from TLE Trust | 236,974 | 237,330 |
| | 1,223,779 | 1,504,628 |
| LIABILITIES | | |
| Bank Indebtedness | 340,302 | 121,003 |
| Accounts Payable and Accrued Liabilities - Note 6 | 1,006,553 | 1,483,279 |
| Deferred Revenue - Note 7 | 161,144 | - |
| Long-Term Debt - Note 8 | 1,920,839 | 2,041,028 |
| Replacement Reserve - Note 3 | 224,978 | 201,946 |
| | 3,653,816 | 3,847,256 |
| NET DEBT | (2,430,037) | (2,342,628) |
| NON-FINANCIAL ASSETS | | |
| Prepaid Expenses | - | 6,754 |
| Tangible Capital Assets - Schedule 1 | 6,311,878 | 6,642,015 |
| | 6,311,878 | 6,648,769 |
| ACCUMULATED SURPLUS - NOTE 9 | \$ 3,881,841 | \$ 4,306,141 |

Approved on Behalf of the Council

| | | |
|-----------------------|------------|------------|
| <u>Michael Long</u> | Chief | Vice Chief |
| <u>Billy Lester</u> | Councillor | Councillor |
| <u>Roanne Collett</u> | Councillor | Councillor |

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

BARREN LANDS FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|---------------------|---------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 5,066,991 | \$ 2,830,176 | \$ 3,105,847 |
| First Nation and Inuit Health (FNIH) | 1,015,422 | 1,464,812 | 1,148,706 |
| Canada Mortgage and Housing Corporation (CMHC) | 192,216 | 126,530 | 130,871 |
| Other | 544,302 | 361,930 | 299,784 |
| Keewatin Tribal Council | 224,569 | 156,535 | 210,111 |
| Fuel Sales | 193,038 | 172,217 | 197,924 |
| Public Safety Canada | 42,953 | 42,953 | 25,788 |
| Province of Manitoba | 149,775 | 272,262 | 117,252 |
| Rent | 51,846 | 92,628 | 92,628 |
| Interest | 18 | 343 | 119 |
| Revenue Deferred to Subsequent Year-Note 6 | - | (161,144) | - |
| | 7,481,130 | 5,359,242 | 5,329,030 |
| EXPENSES | | | |
| Governance and Administration | 799,246 | 664,505 | 698,993 |
| Social | 1,093,485 | 1,460,889 | 1,484,932 |
| Health | 1,168,138 | 1,457,495 | 1,241,529 |
| Housing | 131,650 | 190,885 | 192,037 |
| Economic Development | 78,191 | 56,722 | 49,314 |
| Education | 2,356,381 | 160,246 | 186,253 |
| Operations and Maintenance | 1,277,341 | 1,049,744 | 781,625 |
| Training and Other | 1,632,832 | 743,056 | 992,821 |
| | 8,537,264 | 5,783,542 | 5,627,504 |
| ANNUAL SURPLUS (DEFICIT) | \$ (1,056,134) | (424,300) | (298,474) |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 4,306,141 | 4,118,528 |
| PRIOR PERIOD ADJUSTMENTS - Note 16 | | - | 486,087 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 3,881,841 | \$ 4,306,141 |

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

BARREN LANDS FIRST NATION

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

| | 2015 | 2014 |
|---|----------------|----------------|
| ANNUAL DEFICIT | \$ (424,300) | \$ (298,474) |
| Acquisition of Capital Assets | (52,596) | (665,340) |
| Decrease (Increase) in Construction in Progress | - | 418,393 |
| Amortization of Capital Assets | 382,733 | 395,280 |
| Prepaid Expenses | 6,754 | (6,754) |
| Prior Period Adjustment - Note 16 | - | 486,087 |
| DECREASE (INCREASE) IN NET DEBT | (87,409) | 329,192 |
| NET DEBT, BEGINNING OF YEAR | (2,342,628) | (2,671,820) |
| NET DEBT, END OF YEAR | \$ (2,430,037) | \$ (2,342,628) |

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

BARREN LANDS FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

MARCH 31, 2015

| | 2015 | 2014 |
|---|---------------------|------------------|
| CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Excess (Deficiency) of Revenues Over Expenses | \$ (424,300) | \$ (298,474) |
| Prior Period Adjustment - Note 16 | - | 486,087 |
| Amortization | 382,733 | 395,280 |
| Accounts Receivable | 256,091 | (37,212) |
| Inventory | 47,777 | (190,771) |
| Accounts Payable and Accrued Liabilities | (476,726) | 125,863 |
| Deferred Revenue | 161,144 | - |
| Prepaid Expenses | 6,754 | (6,754) |
| Replacement Reserve | 23,032 | 23,032 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | (23,495) | 497,051 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of Long-Term Debt | (120,189) | (105,514) |
| CASH FROM INVESTING ACTIVITIES | | |
| Purchase of Capital Assets | (52,596) | (665,340) |
| (Increase) Decrease in Construction in Progress | - | 418,393 |
| Advances from TLE Trust | 356 | 51,576 |
| CASH USED IN INVESTING ACTIVITIES | (52,240) | (195,371) |
| NET CASH INCREASE IN BANK INDEBTEDNESS | (195,924) | 196,166 |
| BANK BALANCE (INDEBTEDNESS), beginning of year | 89,679 | (106,487) |
| BANK BALANCE (INDEBTEDNESS), end of year | \$ (106,245) | \$ 89,679 |
| Bank Balance (Indebtedness) consists of: | 2015 | 2014 |
| Cash | \$ - | \$ - |
| Restricted Cash | 234,057 | 210,682 |
| Bank Indebtedness | (340,302) | (121,003) |
| | \$ (106,245) | \$ 89,679 |

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

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

1. OPERATIONS

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

Basis of presentation

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Reporting entity

The consolidated financial statements are presented on a consolidated basis which includes the unincorporated business operations which are owned and/or controlled by the First Nation and programs for which separate financial statements are issued as listed in the significant accounting policies notes under the *segments* heading.

There are no incorporated business entities which are owned or controlled by the First Nation.

Tangible capital assets

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

| | |
|------------------------------|----------------------------|
| Band Houses | 5% declining balance |
| Buildings | 5% declining balance |
| CMHC Houses | annual principal reduction |
| Equipment | 20% declining balance |
| Fuel Depot | 30% declining balance |
| Motor Vehicles | 20% declining balance |
| Roads | 5% declining balance |
| Water and Wastewater Systems | 5% declining balance |

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Long-lived assets

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

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

Non-financial assets

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

Measurement uncertainty

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period.

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

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Segments

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

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

The First Nation's segments are as follows:

- Governance and Administration - reports on governance and administration activities
- Social - reports on social assistance programs
- Health - reports on health and wellness programs funded by FNIH
- Housing - reports on activities related to developing and sustaining housing including CMHC subsidized housing
- Economic Development - reports on services that facilitate economic development
- Education - reports on the operations of education programs
- Operations and Maintenance - reports on general operations and maintenance programs in the First Nation
- Ottawa Trust - reports on funding held in the Ottawa Trust
- Training and Other - reports on training and other activities

Inter-segment transfers are recorded at their exchange amount. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Significant Accounting Policies.

Financial Instruments

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

Revenue recognition

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

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Employee future benefits

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

3. RESTRICTED CASH

| | 2015 | 2014 |
|--------------------------|------------|------------|
| CMHC Replacement Reserve | \$ 224,978 | \$ 201,946 |
| Ottawa Trust | 9,079 | 8,736 |
| | \$ 234,057 | \$ 210,682 |

CMHC Replacement Reserve

Under the terms of the operating agreements with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited an annual amount based on the number and type of houses available for use. These funds, along with accumulated interest, must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The First Nation is currently in contravention of its major funding agreement with CMHC. At year end the specified replacement reserve bank account was underfunded by \$224,978 (2013/14 - \$201,946).

PM Associates

Funds held in trust by PM Associates are to be used specifically for particular capital projects.

Ottawa Trust

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

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

4. ACCOUNTS RECEIVABLE

| | 2015 | 2014 |
|-------------------------|------------|------------|
| AANDC, per confirmation | \$ 5,420 | \$ 219,890 |
| Other | 269,324 | 310,945 |
| | \$ 274,744 | \$ 530,835 |

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

5. LONG TERM INVESTMENTS

The investment in the Barren Lands Construction Co. Ltd. is accounted for using the cost method. The First Nation holds a 10% interest in the company.

6. ACCOUNTS PAYABLE

| | 2015 | 2014 |
|------------------------------|---------------------|---------------------|
| AANDC, prior year recoveries | \$ - | \$ - |
| Other | 1,006,553 | 1,483,279 |
| | \$ 1,006,553 | \$ 1,483,279 |

7. DEFERRED REVENUE

| | 2015 | 2014 |
|---|-------------------|-------------|
| AANDC - Capital Water Systems | \$ 20,833 | \$ - |
| AANDC - Capital Fire Protection | 27,000 | - |
| AANDC - Capital Major Renovations, Ext. & Repairs | 113,311 | - |
| | \$ 161,144 | \$ - |

8. LONG TERM DEBT

| | 2015 | 2014 |
|---|---------------------|---------------------|
| First Nation Bank, with payments of \$2,778 per month plus interest at prime plus 2.00%, maturing July 2014. The loan is secured by vehicles and equipment (mobile home, 48' trailer, truck and tools). | \$ - | \$ 11,101 |
| CMHC mortgage, with payments of \$5,714 per month including interest at 2.61%, maturing June 2023, with a scheduled renewal date of September 2014, secured by a ministerial guarantee | 506,567 | 563,226 |
| CMHC mortgage, with payments of \$5,013 per month including interest at 1.80%, maturing October 2036, with a scheduled renewal date of October 2016, secured by a ministerial guarantee | 1,074,919 | 1,115,402 |
| CMHC mortgage, with payments of \$1,478 per month including interest at 1.68%, maturing April 2038, with a scheduled renewal date of April 2018, secured by a ministerial guarantee | 339,353 | 351,299 |
| | \$ 1,920,839 | \$ 2,041,028 |

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

8. LONG TERM DEBT - continued

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

| | |
|------------------------|------------|
| 2015-16 | \$ 109,257 |
| 2016-17 | 111,687 |
| 2017-18 | 114,174 |
| 2018-19 | 116,719 |
| 2019-20 | 119,322 |
| 2020-21 and Thereafter | 1,349,680 |

9. ACCUMULATED SURPLUS

Accumulated surplus includes \$9,079 (2013/14 - \$8,736) relating to Ottawa Trust Funds.

10. EXPENSES BY OBJECT

| | 2015 | 2014 |
|------------------------------|--------------|--------------|
| Amortization | \$ 382,733 | \$ 395,279 |
| Interest | 34,174 | 58,266 |
| Member Services | 99,404 | 60,607 |
| Purchased Goods and Services | 2,142,859 | 1,953,916 |
| Salaries and Benefits | 1,439,176 | 1,422,558 |
| Social Assistance | 1,367,467 | 1,323,631 |
| Training | 101,363 | 221,774 |
| Travel | 216,366 | 191,473 |
| | \$ 5,783,542 | \$ 5,627,504 |

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

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

| | Surplus/ (Deficit) | Amortization of Tangible Capital Assets | Tangible Capital Asset Purchases | Excess/ (Deficiency) of Funding after Tangible Capital Asset Purchases |
|-------------------------------|-----------------------|---|---|---|
| Governance and Administration | \$ (163,509) | \$ - | \$ - | \$ (163,509) |
| Social | (115,721) | - | - | (115,721) |
| Health | 68,722 | 5,715 | (48,596) | 25,841 |
| Housing | 28,273 | 107,929 | - | 136,202 |
| Economic Development | 18,369 | - | - | 18,369 |
| Education | 77,858 | - | - | 77,858 |
| Operations and Maintenance | (419,549) | 269,089 | - | (150,460) |
| Ottawa Trust | 343 | - | - | 343 |
| Training and Other | 80,914 | - | (4,000) | 76,914 |
| | \$ (424,300) | \$ 382,733 | \$ (52,596) | \$ (94,163) |

12. CONTINGENT LIABILITIES

Potential Government Funding Recoveries

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

Asset Retirement Obligation

Included in tangible capital assets, under the category of land improvements, is a landfill site. Environmental law requires appropriate closure and post-closure care of landfill sites. This would include final covering and landscaping of the site and ongoing environmental monitoring, site inspection, and maintenance. The related future costs associated with this required environmental care are not reasonably estimable and therefore, no liability has been recorded in the consolidated financial statements.

Economic Dependence

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

BARREN LANDS FIRST NATION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015

13. FEDERAL ASSISTANCE PAYMENTS

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

14. DEFINED CONTRIBUTION PENSION PLAN

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

15. BUDGET INFORMATION

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

16. PRIOR PERIOD ADJUSTMENTS

The following adjustments have been made to the opening balance of accumulated surplus as at April 1, 2013:

| | |
|--|------------|
| Brochet Community Council 2005-2012 Cost Sharing on Sewage Lagoon and Water Treatment Plant | \$ 280,000 |
| Overstatement of 2012-13 Accounts Payable | 206,087 |
| | \$ 486,087 |

BARREN LANDS FIRST NATION

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

| | Buildings | Vehicles and Equipment | Roads | Water and Sewer | Band Housing | CMIHC Housing | Equipment | Fuel Depot | 2014 | 2015 |
|--|--------------|------------------------|------------|-----------------|--------------|---------------|------------|------------|---------------|---------------|
| COST | | | | | | | | | | |
| Balance, Beginning of Year | \$ 1,874,647 | \$ 1,484,026 | \$ 162,369 | \$ 928,454 | \$ 3,166,398 | \$ 3,361,520 | \$ 168,151 | \$ 342,016 | \$ 11,487,581 | \$ 10,822,241 |
| Acquisitions | - | 39,764 | - | - | - | - | 12,832 | - | 52,596 | 665,340 |
| Disposals & Write Downs | - | - | - | - | - | - | - | - | - | - |
| Balance, End of Year | 1,874,647 | 1,523,790 | 162,369 | 928,454 | 3,166,398 | 3,361,520 | 180,983 | 342,016 | 11,540,177 | 11,487,581 |
| ACCUMULATED AMORTIZATION | | | | | | | | | | |
| Balance, Beginning of Year | 857,195 | 1,071,109 | 119,419 | 341,585 | 1,341,651 | 660,081 | 126,270 | 328,256 | 4,845,566 | 4,450,286 |
| Amortization | 34,958 | 82,983 | 2,147 | 29,343 | 107,152 | 107,929 | 14,093 | 4,128 | 382,733 | 395,280 |
| Balance, End of Year | 892,153 | 1,154,092 | 121,566 | 370,928 | 1,448,803 | 768,010 | 140,363 | 332,384 | 5,228,299 | 4,845,566 |
| NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS | | | | | | | | | | |
| 2014 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS | \$ 982,494 | \$ 369,698 | \$ 40,803 | \$ 557,526 | \$ 1,717,595 | \$ 2,593,510 | \$ 40,620 | \$ 9,632 | \$ 6,311,878 | \$ 6,642,015 |

BARREN LANDS FIRST NATION

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

| Schedule # | AANDC Revenue | Other Revenue | Deferred Revenue | Total Revenue | Total Expenses | Total Transfers | 2015 | 2014 |
|-------------------------------|---------------|---------------|------------------|---------------|----------------|-----------------|--------------|--------------|
| Governance and Administration | 3 \$ 373,361 | \$ 127,635 | \$ - | \$ 500,996 | \$ (664,505) | \$ - | \$ (163,509) | \$ (234,444) |
| Social | 4 1,345,168 | - | 1,345,168 | 1,345,168 | (1,460,889) | - | (115,721) | 142,496 |
| Health | 5 - | 1,526,217 | - | 1,526,217 | (1,457,495) | - | 68,722 | (92,823) |
| Housing | 6 - | 219,158 | - | 219,158 | (190,885) | - | 28,273 | 31,662 |
| Economic Development | 7 75,091 | - | - | 75,091 | (56,722) | - | 18,369 | 15,986 |
| Education | 8 238,104 | - | - | 238,104 | (160,246) | - | 77,858 | 52,373 |
| Operations and Maintenance | 9 791,339 | - | (161,144) | 630,195 | (1,049,744) | - | (419,549) | 49,453 |
| Ottawa Trust | 10 - | 343 | - | 343 | - | - | 343 | 116 |
| Training and Other | 12 7,113 | 816,857 | - | 823,970 | (743,056) | - | 80,914 | (263,093) |
| | 2,830,176 | 2,690,210 | (161,144) | 5,359,242 | (5,783,542) | - | (424,300) | (298,474) |

BARREN LANDS FIRST NATION

SCHEDULE 3 - GOVERNANCE AND ADMINISTRATION

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|---------------------|------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 429,444 | \$ 373,361 | \$ 377,873 |
| Other | 117,149 | 84,682 | 60,888 |
| Public Safety Canada | 42,953 | 42,953 | 25,788 |
| | 589,546 | 500,996 | 464,549 |
| EXPENSES | | | |
| Bank Charges and Interest | 14,012 | 15,685 | 14,455 |
| Chief and Council Travel | 136,251 | - | 77,569 |
| Co-Management Fees | - | 35,755 | 82,517 |
| Community Events | 3,000 | - | - |
| Equipment Rental | 8,651 | 4,284 | 2,838 |
| Freight and Delivery | 2,950 | 257 | 636 |
| Fuel | - | 4,063 | - |
| Funding Recoveries | - | 27,297 | 20,605 |
| Insurance | 8,255 | 11,627 | 7,822 |
| Member Support | - | 52,892 | 4,000 |
| Other Program Expenses | 45,974 | 4,984 | 15,145 |
| Professional Fees | 151,491 | 68,405 | 48,275 |
| Salaries and Benefits | 275,393 | 318,268 | 354,107 |
| Supplies | 42,250 | 5,086 | 3,399 |
| Telephone | 26,395 | 21,013 | 25,417 |
| Training | 1,200 | - | 6,865 |
| Travel | 71,271 | 89,909 | 26,379 |
| Vehicle Operating Costs | 12,153 | 4,980 | 8,964 |
| | 799,246 | 664,505 | 698,993 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | | | |
| | (209,700) | (163,509) | (234,444) |
| TRANSFERS | | | |
| | - | - | 697 |
| ANNUAL SURPLUS (DEFICIT) | \$ (209,700) | (163,509) | (233,747) |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | | |
| | | (933,937) | (700,190) |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | \$ (1,097,446) | \$ (933,937) | |

BARREN LANDS FIRST NATION

SCHEDULE 4 - SOCIAL

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|--------------|--------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 1,205,883 | \$ 1,345,168 | \$ 1,627,428 |
| Other Revenue | 8,842 | - | - |
| | 1,214,725 | 1,345,168 | 1,627,428 |
| EXPENSES | | | |
| Administration | - | 1,400 | - |
| Bank Charges and Interest | - | - | 110 |
| Basic Needs | 900,000 | 1,218,989 | 1,280,182 |
| Hydro | 48,000 | 58,000 | 65,185 |
| Office | 1,145 | 3,160 | - |
| Other Expenses | 105 | 1,330 | 6,542 |
| Salaries and Benefits | 71,913 | 72,585 | 44,867 |
| Shelter Allowance | - | 40,236 | 40,236 |
| Special Needs | 30,000 | 50,242 | 31,028 |
| Supplies | 36,251 | 12,600 | 16,782 |
| Travel | 6,071 | 2,347 | - |
| | 1,093,485 | 1,460,889 | 1,484,932 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | | | |
| | 121,240 | (115,721) | 142,496 |
| TRANSFERS | | | |
| ANNUAL SURPLUS (DEFICIT) | \$ 121,240 | (115,721) | 142,496 |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | | |
| | | 212,599 | 70,103 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | | |
| | \$ 96,878 | \$ 212,599 | |

BARREN LANDS FIRST NATION

SCHEDULE 5 - HEALTH CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|------------------|-------------------|
| REVENUE | | | |
| Health Canada | \$ 1,015,422 | \$ 1,464,812 | \$ 1,148,706 |
| Other | 9,571 | 61,405 | - |
| | 1,024,993 | 1,526,217 | 1,148,706 |
| EXPENSES | | | |
| Administration | 106,483 | 72,269 | 72,516 |
| Amortization | | 5,715 | - |
| Community Events | 60,946 | 124,519 | 130,872 |
| Equipment Rentals | 1,846 | - | - |
| Freight and Delivery | 518 | - | - |
| Insurance | 2,093 | 7,552 | - |
| Member Services | 10,800 | - | - |
| Office | 30 | 9,599 | - |
| Other Expenses | 35,657 | - | - |
| Professional Fees | 5,700 | 30,542 | 9,091 |
| Repairs & Maintenance | 2,904 | - | - |
| Salaries and Benefits | 501,962 | 562,852 | 535,113 |
| Sub-Contracts | | 22,650 | 22,700 |
| Supplies | 115,015 | 41,571 | 41,923 |
| Telephone | 866 | - | - |
| Training | 9,319 | - | - |
| Travel | 138,269 | 80,482 | 52,187 |
| Utilities | | 476,006 | 358,972 |
| Vehicle | 175,730 | 23,738 | 18,155 |
| | 1,168,138 | 1,457,495 | 1,241,529 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | (143,145) | 68,722 | (92,823) |
| TRANSFERS | - | - | (697) |
| ANNUAL SURPLUS (DEFICIT) | \$ (143,145) | 68,722 | (93,520) |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | (7,931) | 85,589 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 60,791 | \$ (7,931) |

BARREN LANDS FIRST NATION

SCHEDULE 6 - HOUSING

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|-------------------|------------------|
| REVENUE | | | |
| Canada Mortgage and Housing Corporation (CMHC) | \$ 192,216 | \$ 126,530 | \$ 130,871 |
| Rent | 51,846 | 92,628 | 92,628 |
| | 244,062 | 219,158 | 223,499 |
| EXPENSES | | | |
| Administration | - | 9,100 | 9,100 |
| Amortization | 62,630 | 107,929 | 103,553 |
| Insurance | 11,554 | 15,808 | 10,947 |
| Interest on Long Term Debt | 35,032 | 31,516 | 41,518 |
| Professional Fees | - | 3,500 | 3,500 |
| Repairs and Maintenance | 22,434 | - | 387 |
| Replacement Reserve | - | 23,032 | 23,032 |
| | 131,650 | 190,885 | 192,037 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | 112,412 | 28,273 | 31,462 |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | \$ 112,412 | 28,273 | 31,462 |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | 92,877 | 61,415 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 121,150 | \$ 92,877 |

BARREN LANDS FIRST NATION

SCHEDULE 7 - ECONOMIC DEVELOPMENT

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT

FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 | | | |
|--|-------------|-----------|-----------|--|
| | Budget | | | |
| | (Unaudited) | | | |
| REVENUE | | | | |
| Aboriginal Affairs and Northern Development Canada (AANDC) | \$ 65,300 | \$ 75,091 | \$ 65,300 | |
| EXPENSES | | | | |
| Other Expenses | 14,003 | 4,000 | 2,000 | |
| Professional Fees | 5,675 | 8,901 | - | |
| Salaries and Benefits | 32,079 | 39,609 | 44,614 | |
| Supplies | 1,592 | 490 | 432 | |
| Travel | 24,842 | 3,722 | 2,268 | |
| | 78,191 | 56,722 | 49,314 | |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | (12,891) | 18,369 | 15,986 | |
| TRANSFERS | - | - | - | |
| ANNUAL SURPLUS (DEFICIT) | \$ (12,891) | \$ 18,369 | \$ 15,986 | |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | 9,391 | (6,595) | |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 27,760 | \$ 9,391 | |

BARREN LANDS FIRST NATION

SCHEDULE 8 - EDUCATION

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|-------------------|------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 2,309,514 | \$ 238,104 | \$ 238,626 |
| Other | 2,877 | - | - |
| | 2,312,391 | 238,104 | 238,626 |
| EXPENSES | | | |
| Community Events | 7,350 | 10,000 | - |
| Insurance | 2,111 | 2,888 | 2,000 |
| Member Support | 7,639 | - | - |
| Other Program Expenses | 30,734 | 956 | 4,644 |
| Professional Fees | 2,500 | - | - |
| Repairs and Maintenance | - | 26,019 | 37,884 |
| Salaries and Benefits | 90,887 | 84,947 | 92,479 |
| Supplies | 10,909 | 5,093 | 6,342 |
| Training | 998 | - | - |
| Travel | 43,509 | 23,340 | 20,904 |
| Tuition | 2,157,580 | - | - |
| Vehicle | 2,164 | 7,003 | 22,000 |
| | 2,356,381 | 160,246 | 186,253 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | (43,990) | 77,858 | 52,373 |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | \$ (43,990) | 77,858 | 52,373 |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | 32,826 | (19,547) |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 110,684 | \$ 32,826 |

BARREN LANDS FIRST NATION

SCHEDULE 9 - OPERATIONS AND MAINTENANCE

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|---------------------|---------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 1,051,023 | \$ 791,339 | \$ 788,690 |
| Other | - | - | 42,388 |
| Revenue Deferred to Subsequent Year-Note 7 | - | (161,144) | - |
| | 1,051,023 | 630,195 | 831,078 |
| EXPENSES | | | |
| Housing Materials | - | 218,248 | - |
| Amortization | - | 269,089 | 291,726 |
| Bank Charges and Interest | 1,784 | - | - |
| Barge Contracts | 7,620 | - | - |
| Equipment Rental | 5,588 | - | 800 |
| Freight and Delivery | 11,266 | - | - |
| Fuel | 92,555 | 152,287 | 96,458 |
| Insurance | 12,514 | 6,540 | 11,858 |
| Other Expenses | 11,270 | - | 10,606 |
| Professional Fees | 24,005 | - | - |
| Repairs and Maintenance | 711,306 | 77,950 | 50,947 |
| Salaries and Benefits | 285,825 | 134,804 | 170,393 |
| Supplies | 81,931 | 24,823 | 38,898 |
| Telephone | - | 2,659 | 3,205 |
| Training | 958 | - | - |
| Travel | 30,719 | 3,574 | 931 |
| Utilities | - | 159,770 | 105,803 |
| | 1,277,341 | 1,049,744 | 781,625 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | (226,318) | (419,549) | 49,453 |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | \$ (226,318) | (419,549) | 49,453 |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | 3,660,683 | 3,611,230 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ 3,241,134 | \$ 3,660,683 |

BARREN LANDS FIRST NATION

SCHEDULE 10 - OTTAWA TRUST

CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|----------|----------|
| REVENUE | | | |
| Interest | \$ - | \$ 343 | \$ 116 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | - | 343 | 116 |
| TRANSFERS | - | - | - |
| ANNUAL SURPLUS (DEFICIT) | - | 343 | 116 |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | - | 8,736 | 8,620 |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | \$ - | \$ 9,079 | \$ 8,736 |

BARREN LANDS FIRST NATION

SCHEDULE 11 - TRAINING AND OTHER CONSOLIDATED SCHEDULE OF SEGMENT REVENUE AND EXPENSES AND DEFICIT FOR THE YEAR ENDED MARCH 31, 2015

| | 2015 Budget (Unaudited) | 2015 | 2014 |
|---|-------------------------------|-----------------------|-----------------------|
| REVENUE | | | |
| Aboriginal Affairs and Northern Development | | | |
| Canada (AANDC) | \$ 5,827 | \$ 7,113 | \$ 7,930 |
| Keewatin Tribal Council | 224,569 | 156,535 | 210,111 |
| Fuel Sales | 193,038 | 172,217 | 197,924 |
| Interest | 18 | - | 3 |
| Province of Manitoba | 149,775 | 272,262 | 117,252 |
| Other | 405,863 | 215,843 | 196,508 |
| | 979,090 | 823,970 | 729,728 |
| EXPENSES | | | |
| Bank Charges and Interest | 5,770 | 12,085 | 2,067 |
| Community Events | 59,842 | 30,687 | 66,500 |
| Equipment Rental | 10,165 | 1,742 | 5,525 |
| Freight and Delivery | 2,254 | 333 | - |
| Fuel | 706,458 | 261,613 | 250,888 |
| Insurance | 2,854 | 3,905 | 2,704 |
| Member Services | 177,104 | 46,512 | 56,607 |
| Other Expenses | 27,990 | 24,222 | 30,805 |
| Professional Fees | 64,960 | 419 | 159,125 |
| Repairs and Maintenance | 46,284 | 1,030 | 15,468 |
| Salaries and Benefits | 257,058 | 226,111 | 200,146 |
| Supplies | 113,643 | 18,759 | 88,389 |
| Telephone | 1,999 | 1,283 | 2,565 |
| Tobacco Tax Commission | 10,000 | - | - |
| Travel | 122,883 | 12,992 | 11,235 |
| Training | 23,120 | 101,363 | 98,952 |
| Utilities | 448 | - | 1,845 |
| | 1,632,832 | 743,056 | 992,821 |
| ANNUAL SURPLUS (DEFICIT) BEFORE TRANSFERS | | | |
| | (653,742) | 80,914 | (263,093) |
| TRANSFERS | | | |
| ANNUAL SURPLUS (DEFICIT) | \$ (653,742) | 80,914 | (263,093) |
| ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR | | (1,158,213) | (895,120) |
| ACCUMULATED SURPLUS (DEFICIT), END OF YEAR | | \$ (1,077,299) | \$ (1,158,213) |