

**Poundmaker Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2016*

# Poundmaker Cree Nation

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*For the year ended March 31, 2016*

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To the Members of Poundmaker Cree Nation

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.

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. Chief and Council is also responsible for appointing of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members of Poundmaker Cree Nation; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

October 11, 2016

Signed by - Duane Antoine

\_\_\_\_\_  
Management

To the Members of Poundmaker Cree Nation:

We have audited the accompanying consolidated financial statements of Poundmaker Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, change in net debt, cash flows and the related schedules 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 Poundmaker Cree Nation as at March 31, 2016 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matters*

The consolidated financial statements of Poundmaker Cree Nation for the year ended March 31, 2015 were reported on by another auditor who expressed an unqualified opinion on those consolidated financial statements on October 9, 2015.

Saskatoon, Saskatchewan  
October 11, 2016

  
Chartered Professional Accountants

**Poundmaker Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

|   | 2016               | 2015                         |
|---|--------------------|------------------------------|
| <b>Financial assets</b>                         |                    |                              |
| <b>Current</b>                                  |                    |                              |
| Cash (Note 3)                                   | 893,715            | 45,687                       |
| Restricted cash (Note 3)                        | 185,219            | 326,843                      |
| Accounts receivable (Note 4)                    | 260,600            | 673,453                      |
|   | <b>1,339,534</b>   | 1,045,983                    |
| <b>Funds held in Ottawa Trust Fund (Note 5)</b> | <b>44,093</b>      | 79,492                       |
| <b>Restricted cash (Note 3)</b>                 | <b>433,341</b>     | 88                           |
| <b>Total financial assets</b>                   | <b>1,816,968</b>   | 1,125,563                    |
| <b>Liabilities</b>                              |                    |                              |
| <b>Current</b>                                  |                    |                              |
| Bank indebtedness (Note 6)                      | -                  | 878,876                      |
| Accounts payable and accruals                   | 567,299            | 1,003,500                    |
| Deferred revenue (Note 7)                       | 1,939,545          | 811,632                      |
| Current portion of long-term debt (Note 8)      | 564,036            | 604,694                      |
|   | <b>3,070,880</b>   | 3,298,702                    |
| <b>Long-term debt (Note 8)</b>                  | <b>3,554,322</b>   | 2,069,362                    |
| <b>Total liabilities</b>                        | <b>6,625,202</b>   | 5,368,064                    |
| <b>Net debt</b>                                 | <b>(4,808,234)</b> | (4,242,501)                  |
| <b>Subsequent event (Note 3)</b>                |                    |                              |
| <b>Non-financial assets</b>                     |                    |                              |
| Tangible capital assets (Note 9)                | 26,545,536         | 26,792,229                   |
| Prepaid expenses                                | 27,101             | 14,348                       |
| <b>Total non-financial assets</b>               | <b>26,572,637</b>  | 26,806,577                   |
| <b>Accumulated surplus (Note 10)</b>            | <b>21,764,403</b>  | 22,564,076                   |
| <b>Approved on behalf of Chief and Council</b>  |                    |                              |
| Signed by - Duane Antoine                       | Chief              | Signed by - Milton Tootoosis |
|   |                    | Councillor                   |
|   |                    | Signed by - Brandon Favel    |
|   |                    | Councillor                   |

The accompanying notes are an integral part of these financial statements

# Poundmaker Cree Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2016*

|  | <b>2016<br/>Budget<br/>(Note 12)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|--|--------------------------------------|------------------------|------------------------|
| <b>Revenues</b>                                  |                                      |                        |                        |
| Indigenous and Northern Affairs Canada (Note 15) | 5,554,684                            | 6,654,819              | 7,241,579              |
| First Nations Trust                              | 515,000                              | 588,593                | 587,852                |
| Land use agreement                               | -                                    | 585,839                | -                      |
| Lease  | 225,000                              | 275,765                | 281,193                |
| Rental   | 199,260                              | 243,968                | 199,260                |
| Ottawa Trust Funds                               | 970,000                              | 186,115                | 281,193                |
| Battlefords Agency Tribal Chiefs - CDC           | 100,000                              | 165,600                | 196,371                |
| Miscellaneous                                    | 99,626                               | 136,795                | 160,806                |
| Canada Mortgage and Housing Corporation          | 155,099                              | 140,584                | 141,763                |
| Gravel sales                                     | -                                    | 118,100                | 500                    |
| Province of Saskatchewan                         | -                                    | 62,341                 | 21,000                 |
| Canada Mortgage and Housing Corporation - RRAP   | -                                    | 41,239                 | 9,594                  |
| Government of Canada                             | 21,500                               | 39,080                 | 19,708                 |
| Royalties  | 200,000                              | 32,811                 | 194,178                |
| Battle River Treaty 6 Health Centre Inc.         | 108,282                              | 32,250                 | 116,734                |
| Battlefords Tribal Council                       | -                                    | 6,200                  | 30,000                 |
| Medical services funding                         | -                                    | -                      | 20,419                 |
|  | <b>8,148,451</b>                     | <b>9,310,099</b>       | <b>9,502,150</b>       |
| <b>Program expenses</b>                          |                                      |                        |                        |
| Administration                                   | 430,869                              | 1,101,480              | 507,565                |
| Education  | 2,348,401                            | 2,629,088              | 2,459,401              |
| Social Development                               | 2,305,631                            | 2,348,779              | 2,401,243              |
| Housing  | 526,329                              | 1,049,251              | 389,121                |
| Operations and Maintenance                       | 370,721                              | 889,500                | 373,783                |
| Capital  | -                                    | 89,869                 | 879,710                |
| Own Source                                       | 770,000                              | 1,545,850              | 980,300                |
| Other  | 591,500                              | 474,118                | 551,133                |
| <b>Total expenses</b>                            | <b>7,343,451</b>                     | <b>10,127,935</b>      | <b>8,542,256</b>       |
| <b>Surplus (deficit) before other income</b>     | <b>805,000</b>                       | <b>(817,836)</b>       | <b>959,894</b>         |
| <b>Other income</b>                              |                                      |                        |                        |
| Gain on disposal of capital assets               | -                                    | 18,163                 | -                      |
| <b>Surplus (deficit)</b>                         | <b>805,000</b>                       | <b>(799,673)</b>       | <b>959,894</b>         |
| <b>Accumulated surplus, beginning of year</b>    | <b>22,564,076</b>                    | <b>22,564,076</b>      | <b>21,604,182</b>      |
| <b>Accumulated surplus, end of year</b>          | <b>23,369,076</b>                    | <b>21,764,403</b>      | <b>22,564,076</b>      |

The accompanying notes are an integral part of these financial statements

**Poundmaker Cree Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2016*

|   | <b>2016<br/>Budget<br/>(Note 12)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|---|--------------------------------------|------------------------|------------------------|
| <b>Surplus (deficit)</b>                        | <b>805,000</b>                       | <b>(799,673)</b>       | 959,894                |
| Purchases of tangible capital assets            | <b>(400,000)</b>                     | <b>(723,582)</b>       | (1,481,579)            |
| Amortization of tangible capital assets         | <b>204,903</b>                       | <b>970,275</b>         | 879,710                |
| Gain on disposal of tangible capital assets     | -                                    | <b>(18,163)</b>        | -                      |
| Proceeds on disposal of tangible capital assets | -                                    | <b>18,163</b>          | -                      |
| Use (acquisition) of prepaid expense            | -                                    | <b>(12,753)</b>        | 16,962                 |
|   | <b>(195,097)</b>                     | <b>233,940</b>         | (584,907)              |
| <b>Change in net debt</b>                       | <b>609,903</b>                       | <b>(565,733)</b>       | 374,987                |
| <b>Net debt, beginning of year</b>              | <b>(4,242,501)</b>                   | <b>(4,242,501)</b>     | (4,617,488)            |
| <b>Net debt, end of year</b>                    | <b>(3,632,598)</b>                   | <b>(4,808,234)</b>     | (4,242,501)            |

**Poundmaker Cree Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

|   | 2016        | 2015        |
|---|-------------|-------------|
| <b>Cash provided by (used for) the following activities</b> |             |             |
| <b>Operating activities</b>                                 |             |             |
| Surplus (deficit)   | (799,673)   | 959,894     |
| Non-cash items  |             |             |
| Amortization  | 970,275     | 879,710     |
| Gain on disposal of capital assets                          | (18,163)    | -           |
|   | 152,439     | 1,839,604   |
| Changes in working capital accounts                         |             |             |
| Accounts receivable   | 412,853     | (103,491)   |
| Prepaid expenses  | (12,753)    | 16,962      |
| Accounts payable and accruals                               | (436,201)   | (591,890)   |
| Deferred revenue  | 1,127,913   | (982,916)   |
|   | 1,244,251   | 178,269     |
| <b>Financing activities</b>                                 |             |             |
| Advances of long-term debt                                  | 2,700,000   | 200,000     |
| Repayment of long-term debt                                 | (1,255,698) | (577,023)   |
|   | 1,444,302   | (377,023)   |
| <b>Capital activities</b>                                   |             |             |
| Purchases of tangible capital assets                        | (723,582)   | (1,481,579) |
| Decrease in Ottawa Trust Fund                               | 35,399      | 239,363     |
| Proceeds on disposal of tangible capital assets             | 18,163      | -           |
|   | (670,020)   | (1,242,216) |
| <b>Investing activities</b>                                 |             |             |
| Decrease (increase) in restricted cash                      | (291,629)   | 1,425,578   |
| <b>Increase (decrease) in cash resources</b>                | 1,726,904   | (15,392)    |
| <b>Cash deficiency, beginning of year</b>                   | (833,189)   | (817,797)   |
| <b>Cash resources (deficiency), end of year</b>             | 893,715     | (833,189)   |
| <b>Cash resources are composed of:</b>                      |             |             |
| Cash resources  | 893,715     | 45,687      |
| Bank indebtedness   | -           | (878,876)   |
|   | 893,715     | (833,189)   |
| <b>Supplementary cash flow information</b>                  |             |             |
| Interest paid   | 223,415     | 132,937     |



**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Operations**

The Poundmaker Cree Nation (the "First Nation") is located in Treaty 6 Territory, and provides various services to its Members. Poundmaker Cree Nation includes 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:

***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:

- Poundmaker Cree Nation
- Poundmaker Cree Nation CMHC Housing
- Poundmaker Oil Ltd.
- Poundmaker Royalty Corporation
- Poundmaker Treaty Land Entitlement Trust

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.

***Basis of presentation***

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

***Cash and cash equivalents***

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. Restricted cash consists of the CMHC Replacement Reserve and capital project bank accounts.

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of First Nation members by the Government of Canada 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.

Revenues from trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are reported on by the Government of Canada.

***Tangible capital assets***

Tangible capital assets are initially recorded at cost. Contributed tangible capital assets are recorded at their fair value at the date of contribution.

Land purchased is recorded at the purchase price.

**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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

**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:

|                        | <b>Method</b> | <b>Rate</b> |
|------------------------|---------------|-------------|
| Land improvements      | straight-line | 30 years    |
| Buildings              | straight-line | 25 years    |
| CMHC Housing           | straight-line | 25 years    |
| Vehicles and equipment | straight-line | 10 years    |
| Computer equipment     | straight-line | 5 years     |
| Roads                  | straight-line | 40 years    |
| Infrastructure         | straight-line | 40 years    |

Assets under construction are not amortized until they are put into use. Land is not amortized.

The First Nation holds original reserve land and mineral rights on the land. The land and mineral rights are not recognized in the First Nation's consolidated financial statements.

**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 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 combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

**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.

**Other revenues**

Rental and lease revenue is recognized over the rental term. Other revenue is recognized as it becomes receivable or when the goods or services have been provided.

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

***Liability for contaminated site***

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

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. There are no known liabilities at March 31, 2016.

***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. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

***Segments***

The First Nation conducts its business through 8 reportable segments (Note 13). 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.

***Other economic interests***

The First Nation is a member of several other entities. The First Nation does not share in the profit or loss of these entities. As a result these entities have not been included in these consolidated financial statements.

***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. A related standard PS 1201, was issued to address changes to financial statement presentation related to financial instruments. In June 2015, the effective date was deferred to fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

***Related Party Transactions***

In March 2015, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 *Related Party Disclosures*.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

# Poundmaker Cree Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2016*

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

#### Inter-entity Transactions

The Public Sector Accounting Board (PSAB) issued a new standard in March 2015, PS 3420 *Inter-Entity Transactions*. The new standard establishes how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new standard are:

- Revenues and expenses are recognized on a gross basis.
- Transactions are measured at the carrying amount, except in specific circumstances.
- A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice.
- The transfer of an asset or liability for a nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.

Inter-entity transactions are considered in conjunction with PS 2200 *Related Party Disclosures*. The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

#### Assets, Contingent Assets and Contractual Rights

In June 2015, new PS 3210 *Assets*, PS 3320 *Contingent Assets* and PS 3380 *Contractual Rights* were included in the CPA Canada Public Sector Accounting Handbook (PSA HB).

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets. Under previous standards contingent assets could not be recognized.

PS 3380 *Contractual Rights* establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

These standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

### 3. Restricted cash

|                          | 2016           | 2015           |
|--------------------------|----------------|----------------|
| <b>Current:</b>          |                |                |
| Capital projects         | 185,219        | 326,843        |
| <b>Long-term:</b>        |                |                |
| CMHC Replacement Reserve | 433,341        | 88             |
|                          | <b>618,560</b> | <b>326,931</b> |

Subsequent to year-end, the Nation transferred \$1,000,000 from cash to restricted cash in relation to capital project funding.

**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**4. Accounts receivable**

|  | <b>2016</b>    | <b>2015</b> |
|--|----------------|-------------|
| Members                                | <b>476,059</b> | 563,641     |
| Other                                  | <b>196,926</b> | 247,883     |
| Ottawa Trust                           | <b>90,000</b>  | 210,000     |
| Indigenous and Northern Affairs Canada | <b>47,000</b>  | 57,632      |
| CMHC                                   | <b>11,683</b>  | 23,627      |
| First Nations Trust                    | <b>-</b>       | 134,311     |
|  | <b>821,668</b> | 1,237,094   |
| Less: Allowance for doubtful accounts  | <b>561,068</b> | 563,641     |
|  | <b>260,600</b> | 673,453     |

**5. Funds held in Ottawa Trust Fund**

Capital and revenue trust monies are transferred to the First Nation on the authorization of Chief and Council, with the consent of the Minister of Indigenous and Northern Affairs Canada.

|                            | <b>2016</b>      | <b>2015</b> |
|----------------------------|------------------|-------------|
| <b>Capital Trust</b>       |                  |             |
| Balance, beginning of year | <b>59,543</b>    | 310,953     |
| Royalties                  | <b>137,233</b>   | 329,217     |
| Withdrawals                | <b>(163,785)</b> | (580,627)   |
| Balance, end of year       | <b>32,991</b>    | 59,543      |
| <b>Revenue Trust</b>       |                  |             |
| Balance, beginning of year | <b>19,949</b>    | 7,902       |
| Lease                      | <b>81,153</b>    | 82,047      |
| Withdrawals                | <b>(90,000)</b>  | (70,000)    |
| Balance, end of year       | <b>11,102</b>    | 19,949      |
|                            | <b>44,093</b>    | 79,492      |

**6. Bank indebtedness**

During the year, the First Nation obtained an operating line of credit of \$325,000 with interest to be charged at Royal Bank Prime plus 4.05% per annum. At March 31, 2016, \$nil has been drawn. The operating line is secured by a general security agreement and a Band Council Resolution.

**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**7. Deferred revenue**

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

|                                 | <i>Balance 2015</i> | <i>Contributions<br/>received</i> | <i>Contributions<br/>utilized</i> | <i>Balance 2016</i> |
|---------------------------------|---------------------|-----------------------------------|-----------------------------------|---------------------|
| INAC capital projects           | 415,835             | 1,449,900                         | 243,380                           | 1,622,355           |
| INAC professional development   | 8,130               | -                                 | 8,130                             | -                   |
| INAC housing band based capital | 6,427               | -                                 | 6,427                             | -                   |
| Ottawa Trust Funds              | 37,731              | -                                 | 37,731                            | -                   |
| Land leases                     | 343,509             | 249,446                           | 275,765                           | 317,190             |
|                                 | <b>811,632</b>      | <b>1,699,346</b>                  | <b>571,433</b>                    | <b>1,939,545</b>    |

**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**8. Long-term debt**

The following loans are secured by government guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following loans:

| <u>Phase</u>   | <u>Monthly payment<br/>including interest</u> | <u>Interest rate</u> | <u>Renewal Date</u> | <u>2016</u>      | <u>2015</u>    |
|--|---|----------------------|---------------------|------------------|----------------|
| I  | 1,622   | 1.11%                | 1-Apr-21            | <b>185,524</b>   | 201,366        |
| II   | 2,792   | 1.71%                | 1-Sep-17            | <b>350,209</b>   | 374,721        |
| III  | 1,247   | 1.92%                | 1-Apr-19            | <b>173,142</b>   | 184,671        |
| IV   | 1,279   | 1.37%                | 1-Jul-20            | <b>197,556</b>   | 209,669        |
| V  | 6,211   | 2.35%                | 1-Sep-18            | <b>808,691</b>   | <b>857,447</b> |
|  |   |                      |                     | <b>1,715,122</b> | 1,827,874      |
| RBC term loan, repayable in quarterly instalments of \$87,060 including interest at Royal Bank Prime plus 2.75% (5.45% at March 31, 2016), due June 5, 2016, secured by a general security agreement |   |                      |                     | <b>1,213,292</b> | -              |
| RBC term loan, repayable in quarterly instalments of \$33,205 including interest at Royal Bank Prime plus 2.75% (5.45% at March 31, 2016), due June 5, 2016, secured by a general security agreement |   |                      |                     | <b>910,036</b>   | -              |
| RBC term loan, repayable in annual instalments of \$50,000 plus interest at Royal Bank Prime plus 2.75% (5.45% at March 31, 2016), due June 1, 2016, secured by a general security agreement         |   |                      |                     | <b>200,000</b>   | -              |
| Peace Hills Trust mortgage, repayable in monthly instalments of \$1,586 including interest at 4.0%, due October 1, 2020, secured by rental revenues and government guarantees                        |   |                      |                     | <b>79,908</b>    | 95,373         |
| Innovation Credit Union loan, repaid during the year   |   |                      |                     | -                | 481,357        |
| Turtleford Credit Union loan, repaid during the year   |   |                      |                     | -                | 269,452        |
|  |   |                      |                     | <b>4,118,358</b> | 2,674,056      |
| Less: current portion  |   |                      |                     | <b>564,036</b>   | 604,694        |
|  |   |                      |                     | <b>3,554,322</b> | 2,069,362      |

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed with similar terms, are estimated as follows:

|      |         |
|------|---------|
| 2017 | 564,036 |
| 2018 | 587,286 |
| 2019 | 613,094 |
| 2020 | 602,414 |
| 2021 | 252,291 |

Long-term debt is subject to certain financial covenants with respect to timely submission of financial statements as well as various other restrictions and general covenants. As at March 31, 2016, the First Nation is in compliance with all such covenants.

9. Tangible capital assets

For the year ended March 31, 2016

|                        | Cost            |           |           |                   |                | Accumulated Amortization |                      |                           |                | Net book value |
|------------------------|-----------------|-----------|-----------|-------------------|----------------|--------------------------|----------------------|---------------------------|----------------|----------------|
|                        | Opening balance | Additions | Disposals | Reclass of assets | Ending balance | Opening balance          | Current amortization | Amortization on disposals | Ending balance |                |
| Land                   | 6,526,781       | -         | -         | -                 | 6,526,781      | -                        | -                    | -                         | -              | 6,526,781      |
| Land Improvements      | 644,702         | -         | -         | -                 | 644,702        | 102,503                  | 15,604               | -                         | 118,107        | 526,595        |
| Buildings              | 13,763,748      | 473,695   | -         | -                 | 14,237,443     | 9,418,855                | 381,230              | -                         | 9,800,085      | 4,437,358      |
| CMHC Housing           | 4,499,233       | -         | -         | -                 | 4,499,233      | 1,782,213                | 179,971              | -                         | 1,962,184      | 2,537,049      |
| Vehicles and Equipment | 681,437         | 131,000   | (17,500)  | -                 | 794,937        | 517,780                  | 102,934              | (17,500)                  | 603,214        | 191,723        |
| Computer equipment     | 94,016          | 42,585    | -         | -                 | 136,601        | 94,016                   | 4,259                | -                         | 98,275         | 38,326         |
| Roads                  | 2,245,653       | 76,302    | -         | -                 | 2,321,955      | 971,218                  | 43,255               | -                         | 1,014,473      | 1,307,482      |
| Infrastructure         | 11,989,772      | -         | -         | -                 | 11,989,772     | 766,528                  | 243,022              | -                         | 1,009,550      | 10,980,222     |
|                        | 40,445,342      | 723,582   | (17,500)  | -                 | 41,151,424     | 13,653,113               | 970,275              | (17,500)                  | 14,605,888     | 26,545,536     |

For the year ended March 31, 2015

|                           | Cost            |           |           |                   |                | Accumulated Amortization |                      |                           |                | Net book value |
|---------------------------|-----------------|-----------|-----------|-------------------|----------------|--------------------------|----------------------|---------------------------|----------------|----------------|
|                           | Opening balance | Additions | Disposals | Reclass of assets | Ending balance | Opening balance          | Current amortization | Amortization on disposals | Ending balance |                |
| Land                      | 6,526,781       | -         | -         | -                 | 6,526,781      | -                        | -                    | -                         | -              | 6,526,781      |
| Land Improvements         | 328,004         | -         | -         | 316,698           | 644,702        | 86,846                   | 15,657               | -                         | 102,503        | 542,199        |
| Buildings                 | 12,946,444      | 275,825   | -         | 541,479           | 13,763,748     | 9,058,863                | 359,992              | -                         | 9,418,855      | 4,344,893      |
| CMHC Housing              | 4,499,233       | -         | -         | -                 | 4,499,233      | 1,602,244                | 179,969              | -                         | 1,782,213      | 2,717,020      |
| Vehicles and Equipment    | 681,437         | -         | -         | -                 | 681,437        | 479,490                  | 38,290               | -                         | 517,780        | 163,657        |
| Computer equipment        | 94,016          | -         | -         | -                 | 94,016         | 84,547                   | 9,469                | -                         | 94,016         | -              |
| Roads                     | 1,193,360       | 622,160   | -         | 430,133           | 2,245,653      | 915,077                  | 56,141               | -                         | 971,218        | 1,274,435      |
| Infrastructure            | 2,965,886       | 583,594   | -         | 8,440,292         | 11,989,772     | 546,336                  | 220,192              | -                         | 766,528        | 11,223,244     |
| Assets under construction | 9,728,602       | -         | -         | (9,728,602)       | -              | -                        | -                    | -                         | -              | -              |
|                           | 38,963,763      | 1,481,579 | -         | -                 | 40,445,342     | 12,773,403               | 879,710              | -                         | 13,653,113     | 26,792,229     |



**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**10. Accumulated surplus**

Accumulated surplus consists of the following:

|                          | 2016              | 2015              |
|--------------------------|-------------------|-------------------|
| Operating                | (2,469,902)       | (2,933,994)       |
| Capital assets           | 23,549,526        | 24,793,982        |
| CMHC operating reserve   | 107,112           | 128,462           |
| CMHC replacement reserve | 533,574           | 496,134           |
| Ottawa Trust Funds       | 44,093            | 79,492            |
|                          | <b>21,764,403</b> | <b>22,564,076</b> |

**11. Funds and reserves**

The Poundmaker Cree Nation maintains the following funds and reserves as part of its operations:

- Operating Fund reports on the general activities of the First Nation's administration.
- Capital Asset Fund reports on the capital assets and projects of the First Nation.
- CMHC Operating Reserve is required as part of the First Nation's CMHC Housing Program, which receives funds pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under the Program.
- CMHC Replacement Reserve is required as part of the First Nation's CMHC Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses.
- Ottawa Trust Fund reports on trust moneys owned by the First Nation and held by the Government of Canada.

**12. Budget information**

The disclosed budget information is based on the approved November 30, 2012 Management Action Plan which covered the 2012 to 2020 fiscal years. The budget information was prepared for individual programs and has been consolidated in accordance with Canadian public sector accounting standards. In preparation of the budget, the Nation budgeted for tangible capital asset additions and loan principal payments as expenses which is not in accordance with Canadian public sector accounting standards. Tangible capital asset purchases were adjusted in the Consolidated Statement of Changes in Net Debt and the loan principal payments were eliminated.

|   | Approved<br>fiscal plan | Adjustments | Fiscal plan<br>per<br>consolidated<br>financial<br>statements |
|---|-------------------------|-------------|---|
| <b>Consolidated Statement of Operations and Accumulated Surplus</b> |                         |             |   |
| Revenues  | 8,148,451               | -           | <b>8,148,451</b>  |
| Expenses  | 8,038,451               | (695,000)   | <b>7,343,451</b>  |
| Surplus (deficit)   | 110,000                 | 695,000     | <b>805,000</b>  |
| <b>Consolidated Statement of Changes in Net Debt</b>                |                         |             |   |
| Annual surplus (deficit)  | 110,000                 | 695,000     | <b>805,000</b>  |
| Purchases of tangible capital assets                                | -                       | (400,000)   | <b>(400,000)</b>  |
| Amortization of tangible capital assets                             | 204,903                 | -           | <b>204,903</b>  |
| Increase in net debt  | 314,903                 | 295,000     | <b>609,903</b>  |
| Net debt, beginning of year   | (4,242,501)             | -           | <b>(4,242,501)</b>  |
| Adjusted net debt   | (3,927,598)             | 295,000     | <b>(3,632,598)</b>  |

**Poundmaker Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**13. Segments**

The First Nation has 8 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

- Administration - includes administration and governance activities.
- Education - includes the operations of education programs.
- Social Development - includes operations and delivery of social programs.
- Housing - includes the operations of housing.
- Operations and maintenance - includes operations for the maintenance of the Nation's buildings and infrastructure.
- Capital - reports on capital projects.
- Own Source - reports on operations related to economic development and other revenue generated by the Nation.
- Other - reports on operations of band programs.

**14. Economic dependence**

Poundmaker Cree Nation receives a significant portion of its revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

**15. Indigenous and Northern Affairs Canada Reconciliation**

|                                  |                  |
|----------------------------------|------------------|
| INAC funding per confirmation    | 7,940,925        |
| Add: Deferred revenue, beginning | 430,392          |
| Deduct: Deferred revenue, ending | (1,622,355)      |
| Basic needs reconciliation       | (26,363)         |
| Special needs reconciliation     | (18,727)         |
| Overpaid recoveries              | (49,053)         |
|                                  | <u>6,654,819</u> |

**16. Comparative figures**

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

**17. Compliance with laws**

The First Nations Financial Transparency Act required First Nations to make their financial statements publicly available and submit their consolidated financial statements to Indigenous and Northern Affairs Canada by July 29, 2016. As the audit is dated after July 29, 2016, the First Nation is in breach of this requirement.

**Poundmaker Cree Nation**  
**Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2016*

|                            | <b>2016<br/>Budget<br/>(Note 12)</b> | <b>2016<br/>Actual</b> | <b>2015<br/>Actual</b> |
|----------------------------|--------------------------------------|------------------------|------------------------|
| Salaries and benefits      | 2,104,441                            | 2,496,091              | 2,287,517              |
| Social assistance          | 1,782,652                            | 1,937,586              | 1,854,316              |
| Contracted services        | 429,531                              | 1,174,499              | 842,160                |
| Amortization               | 204,903                              | 970,275                | 879,710                |
| Repairs and maintenance    | 531,893                              | 679,533                | 342,066                |
| Student                    | 381,195                              | 455,847                | 491,384                |
| Professional fees          | 247,200                              | 435,496                | 248,909                |
| Program                    | 363,850                              | 358,827                | 164,948                |
| Meetings and travel        | 240,030                              | 285,123                | 325,916                |
| Utilities and telephone    | 157,700                              | 224,336                | 192,831                |
| Membership assistance      | 207,000                              | 202,925                | 175,097                |
| Supplies                   | 135,980                              | 202,791                | 129,153                |
| Per capita distribution    | 150,000                              | 170,140                | 160,061                |
| Interest on long-term debt | 124,800                              | 144,362                | 82,160                 |
| Equipment                  | 31,871                               | 100,773                | 68,711                 |
| Bank charges and interest  | 16,745                               | 79,150                 | 107,031                |
| Insurance                  | 74,000                               | 75,783                 | 75,964                 |
| Rent                       | 50,000                               | 57,064                 | 77,983                 |
| Training                   | 28,800                               | 36,437                 | 23,183                 |
| Administration             | 80,860                               | 17,442                 | (11,700)               |
| Election                   | -                                    | 13,697                 | -                      |
| Bad debts                  | -                                    | 8,582                  | 23,769                 |
| Land taxes                 | -                                    | 1,176                  | 1,087                  |
|                            | <b>7,343,451</b>                     | <b>10,127,935</b>      | <b>8,542,256</b>       |

# Poundmaker Cree Nation

## Consolidated Summary of Schedule of Segment Revenues and Expenses

*For the year ended March 31, 2016*

|                            | <i>INAC Revenue</i> | <i>Other Revenue</i> | <i>Ottawa Trust<br/>Funds</i> | <i>Total Revenue</i> | <i>Total<br/>Expenses</i> | <i>Current<br/>Surplus<br/>(Deficit)</i> |
|----------------------------|---------------------|----------------------|-------------------------------|----------------------|---------------------------|--|
| Administration             | 487,614             | 38,466               | -                             | 526,080              | 1,101,480                 | (575,400)                                |
| Education                  | 2,478,649           | 6,867                | -                             | 2,485,516            | 2,629,088                 | (143,572)                                |
| Social Development         | 2,159,097           | 17,250               | -                             | 2,176,347            | 2,348,779                 | (172,432)                                |
| Housing                    | 703,397             | 497,781              | -                             | 1,201,178            | 1,049,251                 | 151,927                                  |
| Operations and Maintenance | 535,482             | 5,000                | -                             | 540,482              | 889,500                   | (349,018)                                |
| Capital                    | 243,380             | 1,751                | -                             | 245,131              | 89,869                    | 155,262                                  |
| Own Source                 | 47,200              | 1,837,242            | -                             | 1,884,442            | 1,545,850                 | 338,592                                  |
| Other                      | -                   | 82,971               | 186,115                       | 269,086              | 474,118                   | (205,032)                                |
| <b>Total</b>               | <b>6,654,819</b>    | <b>2,487,328</b>     | <b>186,115</b>                | <b>9,328,262</b>     | <b>10,127,935</b>         | <b>(799,673)</b>                         |

**Poundmaker Cree Nation**  
**Administration**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015            |
|--|------------------|-----------------|
| <b>Revenues</b>                          |                  |                 |
| Indigenous and Northern Affairs Canada   | 487,614          | 451,293         |
| Miscellaneous                            | 31,803           | 5,406           |
| Battle River Treaty 6 Health Centre Inc. | 6,000            | -               |
| Battlefords Tribal Council               | -                | 5,000           |
|  | <b>525,417</b>   | <b>461,699</b>  |
| <b>Expenses</b>                          |                  |                 |
| Salaries and benefits                    | 464,923          | 217,507         |
| Contracted services                      | 150,492          | 84,440          |
| Professional fees                        | 126,905          | 32,063          |
| Amortization                             | 90,617           | -               |
| Meetings and travel                      | 84,079           | 47,570          |
| Bank charges and interest                | 43,944           | 42,464          |
| Repairs and maintenance                  | 31,349           | 24,391          |
| Utilities and telephone                  | 30,245           | 26,278          |
| Training                                 | 26,819           | -               |
| Equipment                                | 16,168           | 7,134           |
| Election                                 | 13,697           | -               |
| Supplies                                 | 13,308           | 21,189          |
| Insurance                                | 10,766           | 12,223          |
| Bad debts                                | 8,970            | -               |
| Program                                  | 7,534            | -               |
| Interest on long-term debt               | 1,920            | -               |
| Per capita distribution                  | 1,640            | -               |
| Rent                                     | -                | 7,695           |
| Administration                           | (21,896)         | (15,389)        |
|  | <b>1,101,480</b> | <b>507,565</b>  |
| <b>Deficit before other income</b>       | <b>(576,063)</b> | <b>(45,866)</b> |
| <b>Other income</b>                      |                  |                 |
| Gain on disposal of capital assets       | 663              | -               |
| <b>Deficit</b>                           | <b>(575,400)</b> | <b>(45,866)</b> |

**Poundmaker Cree Nation**  
**Education**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015             |
|--|------------------|------------------|
| <b>Revenues</b>                        |                  |                  |
| Indigenous and Northern Affairs Canada | 2,478,649        | 2,490,300        |
| Miscellaneous                          | 6,867            | 17,396           |
|  | <b>2,485,516</b> | <b>2,507,696</b> |
| <b>Expenses</b>                        |                  |                  |
| Salaries and benefits                  | 1,553,335        | 1,500,222        |
| Student                                | 455,847          | 457,583          |
| Contracted services                    | 234,097          | 234,822          |
| Supplies                               | 91,780           | 53,595           |
| Meetings and travel                    | 65,260           | 58,640           |
| Amortization                           | 60,691           | -                |
| Program                                | 58,828           | 16,494           |
| Utilities and telephone                | 51,786           | 43,632           |
| Equipment                              | 28,675           | 4,989            |
| Repairs and maintenance                | 8,637            | 23,973           |
| Professional fees                      | 4,893            | 13,340           |
| Bank charges and interest              | 4,850            | 11,171           |
| Insurance                              | 4,386            | 3,824            |
| Training                               | 3,445            | 4,224            |
| Membership assistance                  | 2,000            | 10,934           |
| Administration                         | 578              | 2,680            |
| Rent                                   | -                | 14,649           |
| Bad debts                              | -                | 4,629            |
|  | <b>2,629,088</b> | <b>2,459,401</b> |
| <b>Surplus (deficit)</b>               | <b>(143,572)</b> | <b>48,295</b>    |

**Poundmaker Cree Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015             |
|--|------------------|------------------|
| <b>Revenues</b>                          |                  |                  |
| Indigenous and Northern Affairs Canada   | 2,159,097        | 2,186,989        |
| Battle River Treaty 6 Health Centre Inc. | 16,250           | 116,734          |
| Battlefords Tribal Council               | 1,000            | -                |
| Medical services funding                 | -                | 20,419           |
| Miscellaneous                            | -                | 11,705           |
|  | <b>2,176,347</b> | <b>2,335,847</b> |
| <b>Expenses</b>                          |                  |                  |
| Social assistance                        | 1,937,586        | 1,854,316        |
| Salaries and benefits                    | 224,864          | 270,763          |
| Program                                  | 55,345           | -                |
| Contracted services                      | 50,957           | 73,414           |
| Meetings and travel                      | 14,613           | 27,383           |
| Rent                                     | 12,548           | 8,440            |
| Supplies                                 | 11,808           | 23,793           |
| Equipment                                | 8,708            | 43,773           |
| Utilities and telephone                  | 6,795            | 12,685           |
| Insurance                                | 6,677            | -                |
| Administration                           | 6,000            | 9,226            |
| Bank charges and interest                | 5,220            | 5,826            |
| Training                                 | 3,700            | 11,560           |
| Membership assistance                    | 2,617            | 7,522            |
| Repairs and maintenance                  | 1,341            | 7,234            |
| Student                                  | -                | 33,801           |
| Professional fees                        | -                | 11,507           |
|  | <b>2,348,779</b> | <b>2,401,243</b> |
| <b>Deficit</b>                           | <b>(172,432)</b> | <b>(65,396)</b>  |

**Poundmaker Cree Nation**  
**Housing**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015           |
|--|------------------|----------------|
| <b>Revenues</b>                                |                  |                |
| Indigenous and Northern Affairs Canada         | 703,397          | 290,543        |
| Rental   | 243,968          | 199,260        |
| Canada Mortgage and Housing Corporation        | 140,584          | 141,763        |
| Province of Saskatchewan                       | 41,341           | -              |
| Canada Mortgage and Housing Corporation - RRAP | 41,239           | 9,594          |
| Government of Canada                           | 17,580           | -              |
| Miscellaneous                                  | 13,069           | -              |
|  | <b>1,201,178</b> | <b>641,160</b> |
| <b>Expenses</b>                                |                  |                |
| Amortization                                   | 420,106          | -              |
| Repairs and maintenance                        | 310,350          | 51,700         |
| Supplies                                       | 59,003           | 15,356         |
| Salaries and benefits                          | 53,877           | 26,519         |
| Contracted services                            | 44,995           | 159,206        |
| Insurance                                      | 43,225           | 48,489         |
| Interest on long-term debt                     | 38,089           | 48,269         |
| Administration                                 | 22,560           | 21,181         |
| Equipment                                      | 16,741           | -              |
| Meetings and travel                            | 15,401           | 5,766          |
| Membership assistance                          | 9,940            | -              |
| Professional fees                              | 8,000            | 6,900          |
| Program  | 5,000            | -              |
| Training                                       | 1,492            | 3,551          |
| Bank charges and interest                      | 472              | 2,184          |
|  | <b>1,049,251</b> | <b>389,121</b> |
| <b>Surplus</b>                                 | <b>151,927</b>   | <b>252,039</b> |



**Poundmaker Cree Nation**  
**Operations and Maintenance**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015           |
|--|------------------|----------------|
| <b>Revenues</b>                        |                  |                |
| Indigenous and Northern Affairs Canada | 535,482          | 347,322        |
| Miscellaneous                          | 5,000            | 24,004         |
|  | <b>540,482</b>   | <b>371,326</b> |
| <b>Expenses</b>                        |                  |                |
| Amortization                           | 331,932          | -              |
| Contracted services                    | 232,368          | 239,537        |
| Repairs and maintenance                | 123,393          | 25,459         |
| Utilities and telephone                | 82,171           | 60,149         |
| Salaries and benefits                  | 71,700           | 32,465         |
| Supplies                               | 21,200           | -              |
| Equipment                              | 11,226           | 2,893          |
| Insurance                              | 8,541            | 9,262          |
| Bank charges and interest              | 3,470            | -              |
| Meetings and travel                    | 2,518            | 170            |
| Training                               | 981              | 3,848          |
|  | <b>889,500</b>   | <b>373,783</b> |
| <b>Deficit</b>                         | <b>(349,018)</b> | <b>(2,457)</b> |

**Poundmaker Cree Nation**  
**Capital**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016           | 2015      |
|--|----------------|-----------|
| <b>Revenues</b>                        |                |           |
| Indigenous and Northern Affairs Canada | 243,380        | 1,475,132 |
| Miscellaneous                          | 1,751          | 6,447     |
|  | <b>245,131</b> | 1,481,579 |
| <b>Expenses</b>                        |                |           |
| Amortization                           | 59,315         | 879,710   |
| Repairs and maintenance                | 30,545         | -         |
| Bank charges and interest              | 9              | -         |
|  | <b>89,869</b>  | 879,710   |
| <b>Surplus</b>                         | <b>155,262</b> | 601,869   |

**Poundmaker Cree Nation**  
**Own Source**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|  | 2016             | 2015             |
|--|------------------|------------------|
| <b>Revenues</b>                          |                  |                  |
| Indigenous and Northern Affairs Canada   | 47,200           | -                |
| First Nations Trust                      | 588,593          | 587,852          |
| Land use agreement                       | 585,839          | -                |
| Lease                                    | 275,765          | 281,193          |
| Battlefords Agency Tribal Chiefs - CDC   | 165,600          | 196,371          |
| Gravel sales                             | 118,100          | 500              |
| Miscellaneous                            | 37,834           | 95,848           |
| Royalties                                | 32,811           | 194,178          |
| Battle River Treaty 6 Health Centre Inc. | 10,000           | -                |
| Battlefords Tribal Council               | 5,200            | 25,000           |
|  | <b>1,866,942</b> | <b>1,380,942</b> |
| <b>Expenses</b>                          |                  |                  |
| Contracted services                      | 438,483          | 776              |
| Professional fees                        | 294,698          | 184,099          |
| Program                                  | 218,303          | 148,454          |
| Per capita distribution                  | 168,500          | 160,061          |
| Salaries and benefits                    | 112,555          | 118,925          |
| Interest on long-term debt               | 100,861          | 24,471           |
| Meetings and travel                      | 92,216           | 125,822          |
| Rent                                     | 44,516           | 47,199           |
| Bank charges and interest                | 21,137           | 44,606           |
| Equipment                                | 19,061           | 865              |
| Membership assistance                    | 17,652           | 98,727           |
| Repairs and maintenance                  | 17,110           | 898              |
| Utilities and telephone                  | 1,500            | 33,586           |
| Land taxes                               | 1,176            | 1,087            |
| Supplies                                 | 270              | 91               |
| Insurance                                | -                | 891              |
| Bad debts                                | (388)            | 19,140           |
| Administration                           | (1,800)          | (29,398)         |
|  | <b>1,545,850</b> | <b>980,300</b>   |
| <b>Surplus before other income</b>       | <b>321,092</b>   | <b>400,642</b>   |
| <b>Other income</b>                      |                  |                  |
| Gain on disposal of capital assets       | 17,500           | -                |
| <b>Surplus</b>                           | <b>338,592</b>   | <b>400,642</b>   |

**Poundmaker Cree Nation**  
**Other**  
**Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2016*

|                            | 2016             | 2015             |
|----------------------------|------------------|------------------|
| <b>Revenues</b>            |                  |                  |
| Ottawa Trust Funds         | 186,115          | 281,193          |
| Miscellaneous              | 40,471           | -                |
| Government of Canada       | 21,500           | 19,708           |
| Province of Saskatchewan   | 21,000           | 21,000           |
|                            | <b>269,086</b>   | <b>321,901</b>   |
| <b>Expenses</b>            |                  |                  |
| Membership assistance      | 170,716          | 57,914           |
| Repairs and maintenance    | 156,808          | 208,411          |
| Utilities and telephone    | 51,839           | 16,501           |
| Contracted services        | 23,107           | 49,965           |
| Salaries and benefits      | 14,837           | 121,116          |
| Program                    | 13,817           | -                |
| Administration             | 12,000           | -                |
| Meetings and travel        | 11,036           | 60,565           |
| Amortization               | 7,614            | -                |
| Supplies                   | 5,422            | 15,129           |
| Interest on long-term debt | 3,492            | 9,420            |
| Insurance                  | 2,188            | 1,275            |
| Professional fees          | 1,000            | 1,000            |
| Equipment                  | 194              | 9,057            |
| Bank charges and interest  | 48               | 780              |
|                            | <b>474,118</b>   | <b>551,133</b>   |
| <b>Deficit</b>             | <b>(205,032)</b> | <b>(229,232)</b> |