



**Fond du Lac Denesuline First Nation
Consolidated Financial Statements**

March 31, 2014

Fond du Lac Denesuline First Nation Contents

For the year ended March 31, 2014

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Management's Responsibility

To the Members of Fond du Lac Denesuline First Nation:

The accompanying consolidated financial statements of Fond du Lac Denesuline First Nation are the responsibility of management and have been approved by the Chief and Council.

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

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

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

MNP LLP is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

October 1, 2014,

Signed Darryl McDonald CEO

To the Members of Fond du Lac Denesuline First Nation:

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained in our audit 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 Fond du Lac Denesuline First Nation as at March 31, 2014 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

October 1, 2014

MNP LLP
Chartered Accountants

Fond du Lac Denesuline First Nation
Consolidated Statement of Financial Position
As at March 31, 2014

| | 2014 | 2013 |
|---|-------------------|------------|
| Financial assets | | |
| Current | | |
| Cash resources | 207,585 | 232,755 |
| Accounts receivable (Note 3) | 658,428 | 687,755 |
| Restricted cash (Note 4) | 24,669 | 685,044 |
| | 890,682 | 1,605,554 |
| CMHC restricted cash (Note 5) | 24,175 | 24,108 |
| Investment in First Nation business partnerships and business entities (Note 6) | 20,942,581 | 17,249,380 |
| Portfolio investments (Note 7) | 111,268 | 111,268 |
| Funds held in trust (Note 8) | 200,788 | 148,828 |
| Total financial assets | 22,169,494 | 19,139,138 |
| Liabilities | | |
| Current | | |
| Bank indebtedness (Note 9) | 846,954 | 690,618 |
| Accounts payable and accruals | 578,123 | 890,135 |
| Deferred revenue (Note 10) | - | 278,957 |
| Current portion of long-term debt (Note 11) | 368,124 | 362,059 |
| | 1,793,201 | 2,221,769 |
| Long-term debt (Note 11) | 3,636,537 | 3,934,018 |
| Total financial liabilities | 5,429,738 | 6,155,787 |
| Net financial assets | 16,739,756 | 12,983,351 |
| Guarantees (Note 6) | | |
| Non-financial assets | | |
| Tangible capital assets (Note 12) | 48,470,114 | 50,742,468 |
| Prepaid expenses | 31,100 | 31,100 |
| Total non-financial assets | 48,501,214 | 50,773,568 |
| Accumulated surplus (Note 13) | 65,240,970 | 63,756,919 |

Approved on behalf of Chief and Council

Signed Earl Lidguerre

Chief

Signed William Adam

Councillor

Fond du Lac Denesuline First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2014

| | <i>Schedules</i> | <i>2014 Budget Note 17</i> | <i>2014</i> | <i>2013</i> |
|--|------------------|------------------------------------|-------------------|-------------------|
| Revenue | | | | |
| Federal government funding | | | | |
| Aboriginal Affairs and Northern Development Canada (Note 14) | 4,639,442 | 7,428,838 | 9,947,357 | |
| Canada Mortgage and Housing Corporation | - | 209,880 | 211,897 | |
| First Nations and Inuit Health Branch | 66,000 | 66,000 | 83,920 | |
| Athabasca Health Authority | 4,705,442 | 7,704,718 | 10,243,174 | |
| Prince Albert Grand Council | 995,718 | 996,019 | 975,657 | |
| First Nations Trust | 686,716 | 875,049 | 919,201 | |
| Portfolio investment income | - | 704,236 | 676,710 | |
| Other revenue | 127,267 | 367,368 | 225,116 | |
| Rental income | 87,500 | 168,743 | 194,482 | |
| Northern Lights Community Development Corporation | - | 114,657 | 158,118 | |
| Goods and Services Tax rebates | - | 71,426 | 62,007 | |
| User fees | - | 24,768 | 16,789 | |
| Grants for recreation and cultural activities | 44,700 | 45,000 | 48,700 | |
| Donations | - | 15,000 | 90,682 | |
| Interest income | - | 4,990 | 8,471 | |
| Insurance proceeds | - | - | 51,000 | |
| Earnings from investment in Nation business entities | - | 4,442,520 | 4,644,296 | |
| Forfeited funding - FNIHB | - | - | (7,343) | |
| Forfeited funding - Athabasca Health Authority | - | - | (13,280) | |
| Forfeited funding - AANDC | - | (105,506) | (68,457) | |
| | 6,647,343 | 15,873,988 | 18,461,856 | |
| Program expenses | | | | |
| Band Government | 3 | 221,679 | 2,528,030 | 2,156,481 |
| Community Infrastructure | 4 | 234,516 | 3,678,324 | 3,680,252 |
| Education | 5 | 4,087,307 | 4,736,844 | 4,956,732 |
| Health | 6 | 1,252,183 | 1,407,500 | 1,326,102 |
| Social Development | 7 | 8,336 | 2,039,239 | 1,916,791 |
| | 5,804,021 | 14,389,937 | 14,036,358 | |
| Annual surplus | | 843,322 | 1,484,051 | 4,425,498 |
| Accumulated surplus, beginning of year | | 63,756,919 | 63,756,919 | 59,331,421 |
| Accumulated surplus, end of year (Note 13) | | 64,597,121 | 65,240,970 | 63,756,919 |

Fond du Lac Denesuline First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2014

| | 2014 Budget Note 17 | 2014 | 2013 |
|--|------------------------------------|-------------------|-------------------|
| Annual surplus | 843,322 | 1,484,051 | 4,425,498 |
| Purchases of tangible capital assets | - | (522,341) | (4,647,609) |
| Amortization of tangible capital assets | - | 2,794,695 | 3,027,824 |
| | - | 2,272,354 | (1,619,785) |
| Use of prepaid expenses | - | - | 46,485 |
| Increase in net financial assets | 843,322 | 3,756,405 | 2,852,198 |
| Net financial assets, beginning of year | 12,983,351 | 12,983,351 | 10,131,153 |
| Net financial assets, end of year | 13,826,673 | 16,739,756 | 12,983,351 |

Fond du Lac Denesuline First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

| | 2014 | 2013 |
|---|-------------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Annual surplus | 1,484,051 | 4,425,498 |
| Non-cash items | | |
| Amortization | 2,794,695 | 3,027,824 |
| Earnings from investment in Nation business entities | (4,442,520) | (4,644,296) |
| | (163,774) | 2,809,026 |
| Changes in working capital accounts | | |
| Accounts receivable | 29,327 | 109,534 |
| Prepaid expenses | - | 46,485 |
| Restricted cash | 660,375 | 2,628,489 |
| Accounts payable and accruals | (312,009) | (626,944) |
| Deferred revenue | (278,957) | (2,884,332) |
| | (65,038) | 2,082,258 |
| Financing activities | | |
| Advances of long-term debt | 74,596 | 1,714,930 |
| Repayment of long-term debt | (366,015) | (85,322) |
| Change in bank indebtedness | 156,336 | 403,162 |
| | (135,083) | 2,032,770 |
| Capital activities | | |
| Purchases of tangible capital assets | (522,341) | (4,647,609) |
| Investing activities | | |
| Advances to related Nation entities | - | (295,561) |
| Withdrawals from investment in First Nation business entities (net) | 749,319 | 533,687 |
| Increase in funds held in trust | (51,960) | (9,609) |
| Increase in CMHC restricted cash | (67) | 16,938 |
| | 697,292 | 245,455 |
| Decrease in cash resources | (25,170) | (287,126) |
| Cash resources, beginning of year | 232,755 | 519,881 |
| Cash resources, end of year | 207,585 | 232,755 |
| Supplementary cash flow information | | |
| Interest paid | 143,369 | 109,526 |

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

1. Operations

The Fond du Lac Denesuline First Nation ("the First Nation") is located in the province of Saskatchewan, and provides various services to its members. Fond du Lac Denesuline First Nation includes the First Nation's members, government and all related entities that are accountable to the First Nation and 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 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, except for First Nation business entities.

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

- Fond du Lac Denesuline First Nation - Administration
- Fond du Lac Denesuline First Nation - Education
- Fond du Lac Denesuline First Nation - Health
- Fond du Lac Denesuline First Nation CMHC Rental Housing

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.

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

- Fond du Lac First Nation Development Limited Partnership;
- Fond du Lac First Nation (2008) Development Corporation;
- Waterfound Development Limited Partnership; and,
- Waterfound Development Corp.

Other economic interests

The First Nation does not either share in the control or the profit or loss of the following entities. As a result, the financial statements of the following entities have not been consolidated or proportionately consolidated with the financial statements of the Fond du Lac Denesuline First Nation.

- The First Nation is a member of the Prince Albert Grand Council (PADC Management Co. Ltd. or "PAGC"). The PAGC is an organization of twelve Nations. The PAGC is mandated to enhance the services provided to the member Nations.
- The First Nation is a member of the Athabasca Child and Family Services Inc. ("AC&FS"). AC&FS is an organization of three Nations. The mandate of AC&FS is to provide child and family protection and prevention services on reserve to the three member Nations.
- The First Nation is a member of the Athabasca Enterprise Region Corporation ("AERC"). The AERC is an organization of three Nations and four municipalities. The AERC is mandated to maximize economic capacity and achieve business competitiveness for the region.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

2. Significant accounting policies (Continued from previous page)

Basis of presentation

Sources of 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.

Cash resources

Cash resources includes 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

Restricted cash consists of funds held in the CMHC replacement reserve bank, as well as, funds managed by a project manager. The CMHC reserve is used to pay eligible expenditures of the CMHC housing units and the project manager is responsible for completion of the capital projects.

Portfolio investments

Long-term investments in entities that are not controlled or influenced by the Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund and 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 received. These moneys are reported on by the Government of Canada.

Net financial assets

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible assets are recorded at their fair value at the date of contribution. Land purchased is recorded at purchase price plus acquisition costs.

Amortization

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

| | Method | Rate |
|-------------------------------------|---------------|------|
| Infrastructure | straight-line | 3 % |
| Housing | straight-line | 5 % |
| Other buildings | straight-line | 4 % |
| Equipment, vehicles, office & other | straight-line | 20 % |

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

2. Significant accounting policies (Continued from previous page)

Long-lived assets

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

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

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.

Revenue recognition

Government transfers

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

Funds held in Ottawa Trust Fund

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

Other revenue

Investment and interest income is recognized when earned. Rent and other revenue is recognized when the related services are provided.

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, 2014.

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.

No liability has been recorded as of March 31, 2014 as the costs can not be reasonably estimated.

Segments

The First Nation conducts its business through five (5) reportable segments: Band Government, Community Infrastructure, Education, Health, and Social Development. 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.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

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

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

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

Use of estimates

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

Accounts receivable, and amounts due from related First Nation entities and departments, 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.

Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2016.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The First Nation does not expect the adoption of these new standards to have a material impact on its financial statements. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Early adoption is permitted.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

3. Accounts receivable

| | 2014 | 2013 |
|--|-----------------|-----------------|
| Athabasca Health Authority | 188,890 | 132,384 |
| Prince Albert Grand Council | 176,104 | 107,795 |
| Aboriginal Affairs and Northern Development Canada | 103,657 | 170,035 |
| Employee and member loans and advances | 72,811 | 94,376 |
| Goods and Services Tax | 72,064 | 65,656 |
| Northern Lights Community Development Corporation | 38,867 | 80,201 |
| Other | 55,507 | 19,853 |
| CMHC subsidy assistance and rent receivable | 11,309 | 17,580 |
| First Nations and Inuit Health Branch | - | 53,241 |
| Northern Sport, Cultural, and Recreation Inc. | - | 21,850 |
| | 719,209 | 762,971 |
| Allowance for doubtful accounts | (60,781) | (75,216) |
| | 658,428 | 687,755 |

4. Restricted cash

Restricted cash consists of funds managed by capital project managers who are responsible for payment of expenses relating to capital project funding by AANDC.

| | 2014 | 2013 |
|-------------|---------------|----------------|
| Water | 24,669 | 305,348 |
| Solid Waste | - | 214,228 |
| Teacherage | - | 90,330 |
| Roads | - | 64,742 |
| Subdivision | - | 10,396 |
| | 24,669 | 685,044 |

5. CMHC restricted cash

Fond du Lac Denesuline First Nation is required under agreement with CMHC to set aside funds to finance future qualifying housing expenditures. The First Nation has \$24,175 (2013- \$24,108) of cash restricted to fund CMHC reserves. In accordance with the terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal. As of March 31, 2014, the reserves are underfunded by \$55,991 (2013 - \$36,988). The CMHC reserve cash consists of funds on deposit with financial institutions for the purpose of funding the CMHC Housing Replacement Reserve.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

6. Investments in First Nation partnerships and business entities

The First Nation has investments in the following entities:

| | <i>Investment, beginning of year</i> | <i>Contributions (withdrawals)</i> | <i>Cumulative share of earnings</i> | <i>Investment, end of year</i> | 2014 |
|--|--|--|---|------------------------------------|-------------|
| Nation business entities: | | | | | |
| Fond du Lac First Nation (2008) Development Corporation - 100% ("FDLFNDC") | 10,765 | - | 2,600 | 13,365 | |
| Waterfound Development Corporation - 33.33% | - | - | 1,918 | 1,918 | |
| | 10,765 | - | 4,518 | 15,283 | |
| First Nation Business Partnerships – Modified Equity: | | | | | |
| Fond du Lac First Nation Development Limited Partnership - 99.9% ("FDLFNNDLP") | 17,238,615 | (749,319) | 4,137,137 | 20,626,433 | |
| Waterfound Development Limited Partnership - 33.33% | - | - | 300,865 | 300,865 | |
| | 17,238,615 | (749,319) | 4,438,002 | 20,927,298 | |
| | 17,249,380 | (749,319) | 4,442,520 | 20,942,581 | |

The First Nation's investment in Fond du Lac First Nation Development Limited Partnership and its general partner, Fond du Lac First Nation (2008) Development Corporation was established for the purposes of managing, evaluating and building its investments and operating its for-profit enterprises. Waterfound Development Group was established to hold investments with the other two Nation partners.

Summary financial information for each First Nation partnership, accounted for using the modified equity method, for their respective year-end is as follows:

| | <i>FDLFNNDLP</i> | <i>Waterfound Development Limited Partnership</i> | |
|--|---------------------------------|---|--|
| | <i>As at March 31, 2014</i> | <i>As at December 31, 2013</i> | |
| Assets | | | |
| Cash | 304,280 | - | |
| Accounts receivable | 410,250 | - | |
| Prepays | 4,454 | - | |
| Investments | 18,564,193 | 4,539,474 | |
| Property and equipment | 2,450,382 | - | |
| Total assets | 21,733,559 | 4,539,474 | |
| Liabilities | | | |
| Accounts payable and accruals | 88,934 | 3,400 | |
| Long-term debt | 1,002,735 | - | |
| Total liabilities | 1,091,669 | 3,400 | |
| Net assets excluding accumulated other comprehensive income | | | |
| | 20,641,890 | 4,536,074 | |
| Total revenue | 4,910,040 | 906,000 | |
| Total expenses | 768,762 | 3,400 | |
| Net income | 4,141,278 | 902,600 | |
| Comprehensive income | 4,141,278 | 902,600 | |

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

6. Investments in First Nation partnerships and business entities (Continued from previous page)

The First Nation has guaranteed the following debt on behalf of its First Nation business enterprise:

Fond du Lac First Nation Limited partnership has the following long-term debt which the First Nation has issued a guarantee for repayment:

- Demand loans with First Nations Bank of Canada for capital purchases such as airplanes and rental buildings. Interest rates are fixed at rates between 4.65% and 5.04%. Related capital assets are held as first security and the Nation has guaranteed the First Nations Bank access to the reserve to repossess movable assets pledged as security through a Band Council Resolution. FDLNLP has demand loans due to First Nations Bank of \$1,002,735 (2013 - \$1,250,249). The First Nation has guaranteed the full amount of the debt outstanding to the First Nations Bank and repayment under this guarantee, which will remain in place indefinitely, is required in the event the repayment of loans are in default.
- No liability has been recorded associated with this guarantee.

7. Portfolio investments

| | 2014 | 2013 |
|---|----------------|----------------|
| CanAlaska Uranium Ltd. shares | 71,668 | 71,668 |
| Prince Albert Development Corporation (8.33%) | 39,600 | 39,600 |
| Prince Albert First Nation Business Development Limited Partnership (8.25%) | - | - |
| Denesuline Development Corporation (33.33%) | - | - |
| | 111,268 | 111,268 |

CanAlaska Uranium Ltd. shares have a fair market value as of March 31, 2014 of \$76,000.

Summarized financial information as at March 31, 2014 for non-publicly traded portfolio investments is presented below:

| | Assets | Liabilities | Revenue | Expenses | Net Income |
|----------|------------|-------------|-----------|-----------|-------------|
| PADC | 281,955 | 4,404 | 23,699 | 5,067 | 18,632 |
| PAFNBDLP | 24,023,651 | 299,671 | 2,812,338 | 441,427 | 2,370,911 |
| DDC | - | - | - | 3,103,613 | (3,103,613) |

8. Funds held in trust

Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Aboriginal Affairs and Northern Development Canada, with the consent of the First Nation's Council.

| | 2014 | 2013 |
|------------------------------------|----------------|----------------|
| Capital Trust | | |
| Balance, beginning and end of year | 1,980 | 1,980 |
| Revenue Trust | | |
| Balance, beginning of year | 146,848 | 137,239 |
| Interest | 4,760 | 3,389 |
| Rental income | 6,000 | 6,000 |
| Other | 41,200 | 220 |
| Balance, end of year | 198,808 | 146,848 |
| | 200,788 | 148,828 |

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

9. Bank indebtedness and other credit arrangements

Bank indebtedness includes three separate operating lines authorized to \$250,000, \$100,000, and \$75,000 for the General, Social Development, and Education bank accounts respectively of the First Nation and bear interest at prime plus 1.5%. As of March 31, 2014 the First Nation has drawn on \$251,330 (2013 - \$248,860) of the operating lines (\$167,331 for General, \$nil for Social Development, and \$83,999 for Education).

The First Nation also has credit cards with credit limits totaling \$50,000. As of March 31, 2014, \$54,366 (2013 - \$17,503) was included in accounts payable for outstanding balances on the credit cards.

As at March 31, 2014, cheques issued in excess of deposits are also included in bank indebtedness.

10. Deferred revenue

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

| | <i>Balance, beginning of year</i> | <i>Contributions received</i> | <i>Amount recognized as revenue</i> | <i>Balance, end of year</i> |
|-------|---|-----------------------------------|---|---------------------------------|
| Water | 278,957 | - | 278,957 | - |
| | 278,957 | - | 278,957 | - |

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

11. Long-term debt

| | 2014 | 2013 |
|---|------------------|------------------|
| Canada Mortgage and Housing Corporation Phase I repayable in monthly instalments of \$4,029 including interest at 2.11%; secured by band council resolution and ministerial guarantee; matures October 1, 2028. | 606,820 | 640,555 |
| Canada Mortgage and Housing Corporation Phase II repayable in monthly instalments of \$3,224 including interest at 2.75%; secured by Ministerial guarantee; matures May 1, 2036. | 641,586 | 662,412 |
| Canada Mortgage and Housing Corporation Phase III repayable in monthly installments of \$3,386 including interest at 1.53%; secured by Ministerial guarantee; matures December 1, 2032. | 660,766 | 617,586 |
| First Nation Bank mortgage, for the purpose of construction of five non-CMHC housing units, repayable at \$180,000 per annum blended principal and interest at 4.65%; secured by re-direction of \$190,000 of annual AANDC band based capital funds; matures April 1, 2018. | 720,000 | 900,000 |
| First Nation Bank mortgage, for the purpose of construction of new on-reserve arena, bearing interest at 4.50%; secured by re-direction of dividends from Athabasca Basin Development LP; matures October 1, 2027. | <u>1,375,489</u> | <u>1,475,524</u> |
| | 4,004,661 | 4,296,077 |
| Less: current portion | 368,124 | 362,059 |
| | 3,636,537 | 3,934,018 |

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

| | |
|------|---------|
| 2015 | 368,124 |
| 2016 | 369,953 |
| 2017 | 371,822 |
| 2018 | 373,731 |
| 2019 | 195,682 |

12. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

The First Nation holds culturally significant works of art and historical treasures, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

13. Accumulated surplus

The Nation designates and tracks separately the following funds and reserves in accordance with internal management policies. These funds are designated to assist with fund management and to comply with legislation:

Accumulated surplus consists of the following:

| | 2014 | 2013 |
|---|-------------------|-------------------|
| Equity in funds held in trust | | |
| Balance, beginning of year | 148,828 | 139,219 |
| Interest, lease, royalties and other revenue | 51,960 | 9,609 |
| | 200,788 | 148,828 |
| Equity in CMHC reserves | | |
| Balance, beginning of year | 61,096 | 41,034 |
| Reserve allocation for the year | 24,000 | 20,000 |
| Interest | 67 | 62 |
| Withdrawals | (4,997) | - |
| | 80,166 | 61,096 |
| Equity in tangible capital assets | | |
| Balance, beginning of year | 46,284,135 | 45,987,814 |
| Tangible capital assets acquired | 522,341 | 4,647,609 |
| Capital payables advanced | 162,253 | 306,144 |
| Loan advanced | (74,596) | (1,685,552) |
| Loan repaid | 366,015 | 55,944 |
| Amortization | (2,794,695) | (3,027,824) |
| | 44,465,453 | 46,284,135 |
| Equity in investments | | |
| Balance, beginning of year | 17,360,648 | 12,954,478 |
| Income | 4,442,520 | 4,384,715 |
| Contributions (withdrawals) | (749,319) | 21,455 |
| | 21,053,849 | 17,360,648 |
| Unrestricted operating accumulated surplus (deficit) | | |
| Balance, beginning of year | (97,788) | 208,876 |
| Transfer to equity in funds held in trust | (51,960) | (9,609) |
| Transfer to equity in CMHC reserves | (19,070) | (20,062) |
| Transfer to equity in tangible capital assets | 1,818,682 | (296,321) |
| Transfer to equity in investments | (3,693,201) | (4,406,170) |
| Current surplus | 1,484,051 | 4,425,498 |
| | (559,286) | (97,788) |
| | 65,240,970 | 63,756,919 |

The First Nation does not have a movable capital asset reserve.

Fond du Lac Denesuline First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2014

14. Aboriginal Affairs and Northern Development Canada Reconciliation

| | |
|--|------------------|
| AANDC revenue per confirmation | 7,181,805 |
| Add: | |
| Water Treatment Plant 2012 deferred revenue recognized | 278,957 |
| 2014 Basic Needs budget allocation | 102,821 |
| 2014 Band Employee Benefits (statutory) budget allocation | 836 |
| Less: | |
| 2013 Basic Needs budget allocation | (135,581) |
| Total funding per consolidated financial statements | 7,428,838 |

15. Economic dependence

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

Fond du Lac Denesuline First Nation also receives a significant portion of its funding from Athabasca Health Authority.

16. Comparative figures

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

17. Budget information

The disclosed budget information has been approved by the Chief and Council of the Fond du Lac Denesuline First Nation in March 2013.

18. Compliance with authorities

The First Nation is required to make its financial statements publicly available and submit its consolidated financial statements to Aboriginal Affairs and Northern Development Canada by July 29, 2014. As the audit report date is dated after July 29, 2014, the First Nation is in breach of this requirement. The possible effect of this breach has not yet been determined.

Fond du Lac Denesuline First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2014

| | <i>Infrastructure</i> | <i>Housing</i> | <i>Other Buildings</i> | <i>Equipment, Vehicles, Office & Other</i> | <i>Assets Under Construction</i> | <i>2014</i> | <i>2013</i> |
|--|-----------------------|----------------|------------------------|--|----------------------------------|-------------|-------------|
| Cost | | | | | | | |
| Balance, beginning of year | 45,681,844 | 15,333,303 | 23,067,279 | 1,704,127 | 312,463 | 86,099,016 | 81,451,407 |
| Acquisition of tangible capital assets | 20,250 | - | 112,423 | 116,990 | 272,678 | 522,341 | 431,788 |
| Construction-in-progress | - | - | - | - | - | - | 4,215,821 |
| Balance, end of year | 45,702,094 | 15,333,303 | 23,179,702 | 1,821,117 | 585,141 | 86,621,357 | 86,099,016 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 11,824,602 | 8,217,278 | 13,916,756 | 1,397,912 | - | 35,356,548 | 32,328,724 |
| Annual amortization | 1,371,062 | 585,411 | 721,903 | 116,319 | - | 2,794,695 | 3,027,824 |
| Balance, end of year | 13,195,664 | 8,802,689 | 14,638,659 | 1,514,231 | - | 38,151,243 | 35,356,548 |
| Net book value of tangible capital assets | | | | | | | |
| 2013 Net book value of tangible capital assets | 32,506,430 | 6,530,614 | 8,541,043 | 306,886 | 585,141 | 48,470,114 | 50,742,468 |

Fond du Lac Denesuline First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2014

| | 2014 Budget Note 17 | 2014 | 2013 |
|---------------------------------------|------------------------------------|-------------------|-------------|
| Salaries and benefits | 3,478,061 | 4,594,412 | 4,330,276 |
| Amortization | - | 2,794,695 | 3,027,824 |
| Social assistance | - | 1,711,219 | 1,472,857 |
| Travel | 372,458 | 844,408 | 745,580 |
| Student expenses | 750,706 | 804,947 | 894,906 |
| Community events | - | 537,436 | 436,803 |
| National child benefit - projects | - | 451,552 | 454,061 |
| Utilities | 354,166 | 443,065 | 379,056 |
| Supplies | 168,721 | 385,244 | 452,682 |
| Subcontracts | 60,587 | 314,740 | 280,800 |
| Repairs and maintenance | 48,636 | 297,657 | 220,303 |
| Program expense | 128,414 | 150,384 | 138,882 |
| Interest on long-term debt | - | 143,369 | 109,526 |
| Professional fees | 107,000 | 139,479 | 139,579 |
| Insurance | 25,744 | 125,883 | 131,065 |
| Funeral | - | 122,483 | 151,385 |
| Training | 37,502 | 74,372 | 65,173 |
| Administration | 60,500 | 73,116 | 103,081 |
| Freight | 46,232 | 71,274 | 101,096 |
| Vehicle | 51,760 | 67,601 | 74,766 |
| Telephone | 55,900 | 65,562 | 60,136 |
| Office supplies | 1,110 | 57,647 | 33,066 |
| Bank charges and interest | 10,500 | 37,974 | 39,233 |
| Consulting | 30,600 | 33,991 | 85,722 |
| Homecare | 9,000 | 19,638 | 14,088 |
| Miscellaneous | 5,000 | 11,588 | 1,766 |
| Community donations | - | 10,474 | 10,605 |
| Board travel, training and honouraria | - | 5,878 | 1,180 |
| Automotive | - | 1,152 | - |
| Office rent | 1,424 | 200 | 12,750 |
| Bad debts (recovery) | - | (1,503) | 68,111 |
| | 5,804,021 | 14,389,937 | 14,036,358 |

**Fond du Lac Denesuline First Nation
Band Government**

Schedule 3 - Schedule of Revenue and Expenses and Operating Surplus (Deficit)

For the year ended March 31, 2014

| | 2014 Budget Note 17 | 2014 | 2013 |
|--|---------------------------|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 709,676 | 746,009 | 750,188 |
| First Nations Trust | - | 704,236 | 676,710 |
| Portfolio investment income | - | 445,000 | 236,533 |
| Investment in Nation business entities | - | 4,442,520 | 4,644,296 |
| Other revenue | - | 292,888 | 114,005 |
| Northern Lights Community Development Corporation | - | 92,907 | 130,978 |
| Prince Albert Grand Council | - | 89,178 | 96,149 |
| Goods and Services Tax rebates | - | 43,295 | 35,543 |
| User fees | - | 24,768 | 16,279 |
| Rental income | - | 16,450 | 38,950 |
| Interest income | - | 4,760 | 8,083 |
| Donations | - | - | 35,682 |
| Forfeited funding - AANDC | - | (6,578) | (35,000) |
| | 709,676 | 6,895,433 | 6,748,396 |
| Expenses | | | |
| Salaries and benefits | 6,669 | 600,407 | 492,895 |
| Community events | - | 534,636 | 434,103 |
| Travel | 78,250 | 525,791 | 338,767 |
| Social assistance | - | 286,098 | 179,344 |
| Funeral | - | 122,483 | 151,385 |
| Professional fees | 75,000 | 93,349 | 116,207 |
| Subcontracts | - | 68,892 | 27,943 |
| Supplies | - | 68,020 | 40,063 |
| Training | - | 39,438 | 26,918 |
| Office supplies | 260 | 34,923 | 19,328 |
| Bank charges and interest | 2,000 | 30,609 | 30,600 |
| Telephone | 21,000 | 23,858 | 23,369 |
| Utilities | - | 19,055 | 19,580 |
| Administration | 6,400 | 17,095 | 36,991 |
| Student expenses | - | 15,105 | 42,361 |
| Freight | 9,100 | 14,940 | 14,868 |
| Consulting | 18,000 | 13,592 | 51,134 |
| Community donations | - | 9,193 | 10,000 |
| Vehicle | - | 8,798 | 8,465 |
| Repairs and maintenance | - | 3,222 | - |
| Miscellaneous | 5,000 | 50 | 53 |
| Insurance | - | 4 | - |
| Interest on long-term debt | - | - | 37,905 |
| Bad debts | - | (1,528) | 54,202 |
| | 221,679 | 2,528,030 | 2,156,481 |
| Operating surplus before transfers | 487,997 | 4,367,403 | 4,591,915 |
| Transfers between programs | - | (14,105) | - |
| Operating surplus | 487,997 | 4,353,298 | 4,591,915 |

Fond du Lac Denesuline First Nation
Community Infrastructure
Schedule 4 - Schedule of Revenue and Expenses and Operating Surplus (Deficit)
For the year ended March 31, 2014

| | 2014 <i>Budget</i> <i>Note 17</i> | 2014 | 2013 |
|---|--|--------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | | | |
| Aboriginal Affairs and Northern Development Canada | 449,538 | 1,094,226 | 1,166,349 |
| AANDC deferred revenue - current year | - | - | (278,957) |
| AANDC deferred revenue - prior year | - | 278,957 | 3,163,289 |
| Canada Mortgage and Housing Corporation | | | |
| Non-profit on-reserve housing | - | 137,773 | 110,921 |
| RRAP conversions | - | 72,107 | 100,976 |
| Rental income | - | 60,538 | 60,581 |
| Prince Albert Grand Council | - | 48,989 | 54,291 |
| Northern Lights Community Development Corporation | - | 21,750 | 27,140 |
| Other revenue | - | 3,531 | 150 |
| Interest income | - | 212 | 4 |
| Insurance proceeds | - | - | 51,000 |
| Donations | - | - | 45,000 |
| Forfeited funding - AANDC | - | - | (18,900) |
| | 449,538 | 1,718,083 | 4,481,844 |
| Expenses | | | |
| Amortization | - | 2,270,262 | 2,299,324 |
| Subcontracts | 60,587 | 243,536 | 245,859 |
| Salaries and benefits | 4,000 | 238,152 | 338,752 |
| Repairs and maintenance | - | 191,206 | 155,766 |
| Utilities | 113,166 | 167,909 | 122,771 |
| Interest on long-term debt | - | 143,369 | 71,621 |
| Supplies | 2,853 | 140,585 | 156,086 |
| Insurance | - | 105,804 | 108,940 |
| Vehicle | 41,760 | 49,961 | 53,746 |
| Administration | - | 28,936 | 15,053 |
| Travel | 5,450 | 45,737 | 13,592 |
| Freight | 6,000 | 22,832 | 44,655 |
| Consulting | - | 12,421 | 19,922 |
| Professional fees | - | 7,320 | 23,372 |
| Training | - | 2,951 | - |
| Community events | - | 2,800 | 2,700 |
| Office supplies | - | 2,422 | 6,353 |
| Miscellaneous | - | 1,911 | 1,190 |
| Bank charges and interest | - | 185 | - |
| Bad debts | - | 25 | - |
| Telephone | 700 | - | 360 |
| Social assistance | - | - | 190 |
| | 234,516 | 3,678,324 | 3,680,252 |
| Operating surplus (deficit) before transfers | 215,022 | (1,960,241) | 801,592 |
| Transfers between programs | - | 14,105 | - |
| Operating surplus (deficit) | 215,022 | (1,946,136) | 801,592 |

**Fond du Lac Denesuline First Nation
Education**

Schedule 5 - Schedule of Revenue and Expenses and Operating Surplus (Deficit)
For the year ended March 31, 2014

| | 2014 Budget Note 17 | 2014 | 2013 |
|--|------------------------------------|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 3,356,592 | 3,323,766 | 3,338,952 |
| Prince Albert Grand Council | 583,716 | 627,382 | 656,281 |
| Rental income | 87,500 | 79,755 | 88,951 |
| Other revenue | 91,444 | 36,484 | 35,144 |
| Grants for recreation and cultural activities | 44,700 | 45,000 | 48,700 |
| Goods and Services Tax rebates | - | 17,706 | 17,023 |
| Donations | - | 15,000 | - |
| Forfeited funding - AANDC | - | - | (1,075) |
| | 4,163,952 | 4,145,093 | 4,183,976 |
| Expenses | | | |
| Salaries and benefits | 2,652,959 | 2,743,328 | 2,597,389 |
| Student expenses | 750,706 | 789,843 | 852,544 |
| Amortization | - | 500,787 | 704,853 |
| Utilities | 217,000 | 228,825 | 214,832 |
| Travel | 182,600 | 125,325 | 198,566 |
| Supplies | 113,400 | 121,275 | 184,224 |
| Repairs and maintenance | 34,400 | 76,217 | 37,777 |
| Program expense | 25,000 | 35,539 | 39,136 |
| Freight | 27,630 | 28,935 | 34,653 |
| Professional fees | 21,000 | 27,810 | - |
| Telephone | 16,200 | 20,300 | 18,512 |
| Vehicle | 10,000 | 7,835 | 12,555 |
| Training | 9,262 | 6,424 | 23,255 |
| Board travel, training and honouraria | - | 5,878 | 1,180 |
| Bank charges and interest | 6,600 | 5,816 | 6,753 |
| Administration | - | 5,543 | 4,057 |
| Insurance | 11,100 | 2,484 | 8,035 |
| Subcontracts | - | 2,313 | 6,999 |
| Community donations | - | 1,281 | 605 |
| Office supplies | 850 | 1,086 | 2,601 |
| Consulting | 8,600 | - | 8,206 |
| | 4,087,307 | 4,736,844 | 4,956,732 |
| Operating deficit | 76,645 | (591,751) | (772,756) |

Fond du Lac Denesuline First Nation
Health
Schedule 6 - Schedule of Revenue and Expenses and Operating Surplus (Deficit)
For the year ended March 31, 2014

| | 2014 <i>Budget</i> <i>Note 17</i> | 2014 | 2013 |
|--|--|------------------|------------------|
| Revenue | | | |
| Government funding | | | |
| Aboriginal Affairs and Northern Development Canada | 56,772 | 56,768 | 56,768 |
| First Nations and Inuit Health Branch | 66,000 | 66,000 | 83,920 |
| Athabasca Health Authority | 995,718 | 996,019 | 975,657 |
| Prince Albert Grand Council | 103,000 | 109,500 | 112,480 |
| Other revenue | 35,823 | 34,465 | 74,616 |
| Rental income | - | 12,000 | 6,000 |
| Goods and Services Tax rebates | - | 10,425 | 9,442 |
| Interest income | - | 19 | 384 |
| Donations | - | - | 10,000 |
| Forfeited funding - Athabasca Health Authority | - | - | (13,280) |
| Forfeited funding - FNIHB | - | - | (7,343) |
| | 1,257,313 | 1,285,196 | 1,308,644 |
| Expenses | | | |
| Salaries and benefits | 811,433 | 900,504 | 792,608 |
| Travel | 106,158 | 132,393 | 162,430 |
| Program expense | 103,414 | 114,845 | 99,746 |
| Supplies | 52,468 | 52,696 | 72,308 |
| Utilities | 24,000 | 27,275 | 21,872 |
| Training | 28,240 | 25,559 | 14,200 |
| Amortization | - | 23,647 | 23,647 |
| Telephone | 18,000 | 21,404 | 16,982 |
| Repairs and maintenance | 9,000 | 20,013 | 20,260 |
| Homecare | 9,000 | 19,638 | 14,088 |
| Insurance | 14,644 | 17,591 | 14,090 |
| Administration | 54,100 | 16,542 | 41,506 |
| Professional fees | 11,000 | 11,000 | - |
| Miscellaneous | - | 9,626 | 525 |
| Consulting | 4,000 | 7,978 | 6,461 |
| Freight | 3,402 | 4,072 | 6,840 |
| Bank charges and interest | 1,900 | 1,365 | 1,880 |
| Automotive | - | 1,152 | - |
| Office rent | 1,424 | 200 | 2,750 |
| Bad debts | - | - | 13,909 |
| | 1,252,183 | 1,407,500 | 1,326,102 |
| Operating deficit before transfers | 5,130 | (122,304) | (17,458) |
| Transfers between programs | (3,120) | - | - |
| Operating deficit | 2,010 | (122,304) | (17,458) |

Fond du Lac Denesuline First Nation
Social Development
Schedule 7 - Schedule of Revenue and Expenses and Operating Surplus (Deficit)
For the year ended March 31, 2014

| | 2014 <i>Budget</i> <i>Note 17</i> | 2014 | 2013 |
|--|--|------------------|------------------|
| Revenue | | | |
| Aboriginal Affairs and Northern Development Canada | 66,864 | 1,929,112 | 1,750,768 |
| Other revenue | - | - | 1,200 |
| User fees | - | - | 510 |
| Forfeited funding - AANDC | - | (98,928) | (13,482) |
| | 66,864 | 1,830,184 | 1,738,996 |
| Expenses | | | |
| Social assistance | - | 1,425,121 | 1,293,324 |
| National child benefit - projects | - | 451,552 | 454,061 |
| Salaries and benefits | 3,000 | 112,020 | 108,631 |
| Travel | - | 15,161 | 32,224 |
| Office supplies | - | 19,216 | 4,785 |
| Repairs and maintenance | 5,236 | 6,999 | 6,500 |
| Administration | - | 5,000 | 5,473 |
| Supplies | - | 2,668 | - |
| Vehicle | - | 1,007 | - |
| Freight | 100 | 495 | 80 |
| Training | - | - | 800 |
| Telephone | - | - | 913 |
| Office rent | - | - | 10,000 |
| | 8,336 | 2,039,239 | 1,916,791 |
| Operating deficit | 58,528 | (209,055) | (177,795) |