

**Fond du Lac Denesuline First Nation**  
**Consolidated Financial Statements**  
*March 31, 2015*

# Fond du Lac Denesuline First Nation

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For the year ended March 31, 2015

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## Management's Responsibility

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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 fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the 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.

July 29, 2015

(signature on file) CEO  
Darryl McDonald

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## Independent Auditors' Report

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To the Members of Fond du Lac Denesuline First Nation:

We have audited the accompanying financial statements of Fond du Lac Denesuline First Nation, which comprise the statement of financial position as at March 31, 2015, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows and 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 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 financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fond du Lac Denesuline First Nation as at March 31, 2015, 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.

Prince Albert, Saskatchewan

July 29, 2015

**MNP LLP**  
Chartered Accountants

# Fond du Lac Denesuline First Nation Consolidated Statement of Financial Position

*As at March 31, 2015*

	2015	2014
<b>Financial assets</b>		
<b>Current</b>		
Cash resources	34,733	207,585
Accounts receivable (Note 4)	402,831	658,428
Restricted cash (Note 5)	26,003	24,669
	<b>463,567</b>	890,682
<b>CMHC restricted cash</b> (Note 6)	29,233	24,175
<b>Investment in Nation business entities</b> (Note 7)	24,501,259	20,942,581
<b>Portfolio investments</b> (Note 8)	111,268	111,268
<b>Funds held in trust</b> (Note 9)	253,621	200,788
<b>Total financial assets</b>	<b>25,358,948</b>	22,169,494
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 10)	535,018	846,954
Accounts payable and accruals	844,853	578,123
Current portion of long-term debt (Note 11)	369,805	368,124
	<b>1,749,676</b>	1,793,201
<b>Long-term debt</b> (Note 11)	3,266,706	3,636,537
<b>Total financial liabilities</b>	<b>5,016,382</b>	5,429,738
<b>Net financial assets</b>	<b>20,342,566</b>	16,739,756
<b>Guarantees</b> (Note 7)		
<b>Contingent liabilities</b> (Note 19)		
<b>Non-financial assets</b>		
Tangible capital assets (Note 13)	45,923,875	48,470,114
Prepaid expenses	-	31,100
<b>Total non-financial assets</b>	<b>45,923,875</b>	48,501,214
<b>Accumulated surplus</b> (Note 12)	<b>66,266,441</b>	65,240,970
<b>Approved on behalf of Chief and Council</b>		
<i>(Signature on file)</i> Earl Lidguerre	<b>Chief</b>	<i>(Signature on file)</i> Willie John Laurent
		<b>Councillor</b>

The accompanying notes are an integral part of these financial statements

# Fond du Lac Denesuline First Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2015*

	<i>Schedules</i>	<b>2015 Budget (Note 18)</b>	<b>2015 Actual</b>	<b>2014 Actual</b>
<b>Revenue</b>				
Aboriginal Affairs and Northern Development Canada (Note 14)		5,475,799	7,194,352	7,428,838
Canada Mortgage and Housing Corporation		-	135,703	209,880
First Nations and Inuit Health Branch		35,000	66,000	66,000
Athabasca Health Authority		1,025,591	1,036,839	996,019
Earnings from investment in Nation business entities		-	4,005,098	4,442,520
Prince Albert Grand Council		1,105,560	788,220	875,049
First Nations Trust		470,800	665,490	704,236
Other revenue		43,800	232,590	367,368
Rental income		90,000	164,243	168,743
Northern Lights Community Development Corporation		100,000	135,926	114,657
Goods and Services Tax rebates		35,000	57,715	71,426
Portfolio investment income		92,000	50,000	445,000
Grants for recreation and cultural activities		44,700	47,678	45,000
User fees		1,800	23,447	24,768
Interest income		-	8,086	4,990
CMHC youth internship		-	6,400	-
Donations		-	-	15,000
Forfeited funding - AANDC (Note 15)		-	(112,958)	(105,506)
		<b>8,520,050</b>	<b>14,504,829</b>	<b>15,873,988</b>
<b>Program expenses</b>				
Band Government	3	943,800	2,248,001	2,528,030
Community Infrastructure	4	544,958	3,381,095	3,678,324
Education	5	3,853,912	4,861,765	4,736,844
Health	6	1,267,454	1,367,708	1,407,500
Social Development	7	1,050,853	1,747,352	2,039,239
		<b>7,660,977</b>	<b>13,605,921</b>	<b>14,389,937</b>
<b>Surplus before other item</b>		<b>859,073</b>	<b>898,908</b>	<b>1,484,051</b>
<b>Other income</b>				
Gain on disposal of tangible capital asset		-	126,563	-
<b>Surplus</b>		<b>859,073</b>	<b>1,025,471</b>	<b>1,484,051</b>
<b>Accumulated surplus, beginning of year</b>		<b>65,240,970</b>	<b>65,240,970</b>	<b>63,756,919</b>
<b>Accumulated surplus, end of year (Note 12)</b>		<b>66,100,043</b>	<b>66,266,441</b>	<b>65,240,970</b>

The accompanying notes are an integral part of these financial statements

**Fond du Lac Denesuline First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 Actual</b>	<b>2014 Actual</b>
<b>Annual surplus</b>	<b>859,073</b>	<b>1,025,471</b>	1,484,051
Purchases of tangible capital assets	-	<b>(132,967)</b>	(522,341)
Amortization of tangible capital assets	-	<b>2,679,206</b>	2,794,695
Gain on sale of tangible capital assets	-	<b>(126,563)</b>	-
Proceeds on sale of tangible capital assets	-	<b>126,563</b>	-
	-	<b>2,546,239</b>	2,272,354
Use of prepaid expenses	-	<b>31,100</b>	-
<b>Increase in net financial assets</b>	<b>859,073</b>	<b>3,602,810</b>	3,756,405
<b>Net financial assets, beginning of year</b>	<b>16,739,756</b>	<b>16,739,756</b>	12,983,351
<b>Net financial assets, end of year</b>	<b>17,598,829</b>	<b>20,342,566</b>	16,739,756

*The accompanying notes are an integral part of these financial statements*

# Fond du Lac Denesuline First Nation

## Consolidated Statement of Cash Flows

*For the year ended March 31, 2015*

	2015	2014
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	1,025,471	1,484,051
Non-cash items		
Amortization	2,679,206	2,794,695
Earnings from investment in Nation business entities	(4,005,098)	(4,442,520)
	(300,421)	(163,774)
Changes in working capital accounts		
Accounts receivable	255,597	29,327
Prepaid expenses	31,100	-
Restricted cash	(1,334)	660,375
Accounts payable and accruals	266,729	(312,009)
Deferred revenue	-	(278,957)
	251,671	(65,038)
<b>Financing activities</b>		
Advances of long-term debt	-	74,596
Repayment of long-term debt	(368,149)	(366,015)
Change in bank indebtedness	(311,936)	156,336
	(680,085)	(135,083)
<b>Capital activities</b>		
Purchases of tangible capital assets	(132,967)	(522,341)
<b>Investing activities</b>		
Withdrawals from investment in First Nation business entities (net)	446,420	749,319
Increase in funds held in trust	(52,833)	(51,960)
Increase in CMHC restricted cash	(5,058)	(67)
	388,529	697,292
<b>Decrease in cash resources</b>	(172,852)	(25,170)
<b>Cash resources, beginning of year</b>	207,585	232,755
<b>Cash resources, end of year</b>	34,733	207,585
<b>Supplementary cash flow information</b>		
Interest paid	125,388	143,369

*The accompanying notes are an integral part of these financial statements*



# Fond du Lac Denesuline First Nation

## Notes to the Consolidated Financial Statements

For the year ended March 31, 2015

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### 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. Change in accounting policy

Effective April 1, 2014, the First Nation adopted the recommendations relating to Section PS 3260, *Liability for Contaminated Sites*, as set out in the Canadian public sector accounting standards. Pursuant to the recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, no accounting policy existed to account for a liability for contaminated sites. Under the new recommendations, the First Nation is required to recognize a liability for contaminated sites when economic benefits will be given up, as described in Note 3 Significant accounting policies.

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

### 3. 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; and,
- 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 Corporation.

# Fond du Lac Denesuline First Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2015*

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

#### **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 Fond du Lac Denesuline First Nation.

- The First Nation is a member of the Prince Albert Grand Council (PAGC 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.

#### **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.

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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

***Tangible capital assets***

Tangible capital assets are initially recorded at cost based on historical cost accounting records. Contributed tangible 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 %

***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.

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

***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.

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

**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.

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.

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

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. Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites for which the First Nation is responsible.

**Liability for contaminated site**

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2015.

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

**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. In the current year, the effective date has been deferred to fiscal years beginning on or after April 1, 2019.

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**4. Accounts receivable**

	<b>2015</b>	<b>2014</b>
Athabasca Health Authority	<b>124,872</b>	188,890
Prince Albert Grand Council	<b>101,718</b>	176,104
Goods and Services Tax	<b>72,575</b>	72,064
Employee and member loans and advances	<b>64,247</b>	72,811
Northern Lights Community Development Corporation	<b>30,000</b>	38,867
Northern Sport, Cultural, and Recreation Inc.	<b>23,150</b>	-
Aboriginal Affairs and Northern Development Canada	<b>16,225</b>	103,657
CMHC subsidy assistance	<b>11,309</b>	11,309
Other	<b>9,134</b>	55,507
	<b>453,230</b>	719,209
Allowance for doubtful accounts	<b>(50,399)</b>	(60,781)
	<b>402,831</b>	658,428

**5. 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.

	<b>2015</b>	<b>2014</b>
Water	<b>26,003</b>	24,669

**6. 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 \$29,233 (2014 - \$24,175) 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, 2015, the reserves are underfunded by \$86,287 (2014 - \$55,991). 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, 2015*

**7. 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>2015 Investment, end of year</i>
<b>Nation business entities:</b>				
Fond du Lac First Nation (2008) Development Corporation - 100% ("FDLFNDC")	13,365	-	2,091	15,456
Waterfound Development Corporation - 33.33%	1,918	-	38	1,956
	<b>15,283</b>	<b>-</b>	<b>2,129</b>	<b>17,412</b>
<b>First Nation Business Partnerships – Modified Equity:</b>				
Fond du Lac First Nation Development Limited Partnership - 99.9% ("FDLFNDLP")	20,626,433	(446,420)	3,667,372	23,847,385
Waterfound Development Limited Partnership - 33.33%	300,865	-	335,597	636,462
	<b>20,927,298</b>	<b>(446,420)</b>	<b>4,002,969</b>	<b>24,483,847</b>
	<b>20,942,581</b>	<b>(446,420)</b>	<b>4,005,098</b>	<b>24,501,259</b>

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.

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**7. Investments in First Nation Business partnerships and business entities** *(Continued from previous page)*

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

	<i>FDLFNDLP As at March 31, 2015</i>	<i>Waterfound Development Limited Partnership As at December 31, 2014</i>
<b>Assets</b>		
Cash	75,493	699,609
Accounts receivable	681,070	200,000
Prepays	4,454	-
Investments	21,847,155	4,652,460
Property and equipment	1,800,302	-
Investment property	872,263	-
<b>Total assets</b>	<b>25,280,737</b>	<b>5,552,069</b>
<b>Liabilities</b>		
Accounts payable and accruals	655,477	7,296
Long-term debt	760,015	-
<b>Total liabilities</b>	<b>1,415,492</b>	<b>7,296</b>
<b>Net assets excluding accumulated other comprehensive income</b>	<b>23,865,245</b>	<b>5,544,773</b>
<b>Total revenue</b>	<b>4,426,997</b>	<b>1,012,986</b>
<b>Total expenses</b>	<b>755,954</b>	<b>5,187</b>
<b>Net income</b>	<b>3,671,043</b>	<b>1,007,799</b>
<b>Comprehensive income</b>	<b>3,671,043</b>	<b>1,007,799</b>

An adjustment to net assets of \$1,211,158, due to a reorganization of the entity resulting in a permanent timing difference in the cost of the investment, has been recorded in the financial statement of Waterfound Development Limited Partnership , to arrive at the amount included in the First Nation's financial statements.

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 First Nation has guaranteed the First Nations Bank access to the reserve to repossess movable assets pledged as security through a Band Council Resolution. FDLFNDLP has demand loans due to First Nations Bank of \$760,015 (2014 - \$1,002,735). 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.
- Principal repayments on the demand loans in each of the next five years are estimated as follows:

2016	52,020
2017	54,891
2018	57,820
2019	60,905
2020	64,095
- No liability has been recorded associated with this guarantee.

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**7. Investments in First Nation Business partnerships and business entities** *(Continued from previous page)*

One of the First Nation's investees have a different year-end than March 31, 2015. The First Nation uses the investees' year-end financial statements to account for its investment in these investees.

<i>Name of investee</i>	<i>Year-end</i>	<i>Significant events and transactions</i>
Waterfound Development Limited Partnership	December 31, 2014	None

**8. Portfolio investments**

	<b>2015</b>	<b>2014</b>
CanAlaska Uranium Ltd. shares	<b>71,668</b>	71,668
Prince Albert Development Corporation (8.33%)	<b>39,600</b>	39,600
Prince Albert First Nation Business Development Limited Partnership (8.25%)	-	-
	<b>111,268</b>	111,268

CanAlaska Uranium Ltd. shares have a fair market value as of March 31, 2015 of \$56,000.

Summarized financial information as at March 31, 2015 for non-publicly traded portfolio investments is presented below:

	Assets	Liabilities	Revenue	Expenses	Net Income
PADC	302,175	11,225	25,762	4,669	15,130
PAFNBDLP	23,122,361	100,022	3,390,703	814,303	2,576,400

**9. 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.

	<b>2015</b>	<b>2014</b>
<b>Capital Trust</b>		
Balance, beginning and end of year	<b>1,980</b>	1,980
<b>Revenue Trust</b>		
Balance, beginning of year	<b>198,808</b>	146,848
Interest	<b>5,697</b>	4,760
Rental income	<b>6,000</b>	6,000
Other	<b>41,136</b>	41,200
Balance, end of year	<b>251,641</b>	198,808
	<b>253,621</b>	200,788



**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**10. 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, 2015 the First Nation has drawn on \$322,217 (2014 - \$251,330) of the operating lines (\$202,846 for General, \$59,638 for Social Development, and \$59,733 for Education). Subsequent to year end, there was a temporary increase to the approved limit for the General bank account to \$550,000 and it will be decreased back to \$250,000 as at October 1, 2015.

The First Nation also has credit cards with credit limits totaling \$50,000. As of March 31, 2015, \$43,108 (2014 - \$54,366) was included in accounts payable for outstanding balances on the credit cards.

As at March 31, 2015, cheques issued in excess of deposits are also included in bank indebtedness.

**11. Long-term debt**

	2015	2014
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.	<b>570,877</b>	606,820
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.	<b>620,182</b>	641,586
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.	<b>629,999</b>	660,766
First Nation Bank mortgage, for the purpose of construction of five non-CMHC housing units, repayable at \$180,000 per annum plus interest paid monthly at 4.65%; secured by re-direction of \$190,000 of annual AANDC band based capital funds; matures April 1, 2018.	<b>540,000</b>	720,000
First Nation Bank mortgage, for the purpose of construction of new on-reserve arena, repayable at \$25,009 per quarter plus interest paid monthly at 4.35%; secured by re-direction of dividends from Athabasca Basin Development LP; matures October 1, 2027.	<b>1,275,453</b>	1,375,489
	<b>3,636,511</b>	4,004,661
Less: current portion	<b>369,805</b>	368,124
	<b>3,266,706</b>	3,636,537

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:

2016	369,805
2017	371,677
2018	373,590
2019	195,589
2020	197,543

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

**12. 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:

	2015	2014
Equity in funds held in trust		
Balance, beginning of year	200,788	148,828
Interest, lease, royalties and other revenue	52,833	51,960
	<b>253,621</b>	200,788
Equity in CMHC reserves		
Balance, beginning of year	80,166	61,096
Reserve allocation for the year	24,000	24,000
Interest	58	67
Transfer of surplus capital	11,296	-
Withdrawals	-	(4,997)
	<b>115,520</b>	80,166
Equity in tangible capital assets		
Balance, beginning of year	44,465,453	46,284,135
Tangible capital assets acquired	132,968	522,341
Capital payables repaid	-	162,253
Loan advanced	-	(74,596)
Loan repaid	368,149	366,015
Amortization	(2,679,206)	(2,794,695)
Gain on disposal of tangible capital assets	126,563	-
Proceeds on disposal of tangible capital assets	(126,563)	-
	<b>42,287,364</b>	44,465,453
Equity in investments		
Balance, beginning of year	21,053,849	17,360,648
Income	4,005,098	4,442,520
Contributions (withdrawals)	(446,420)	(749,319)
	<b>24,612,527</b>	21,053,849
Unrestricted operating accumulated surplus (deficit)		
Balance, beginning of year	(559,286)	(97,788)
Transfer to equity in funds held in trust	(52,833)	(51,960)
Transfer to equity in CMHC reserves	(35,354)	(19,070)
Transfer to equity in tangible capital assets	2,178,089	1,818,682
Transfer to equity in investments	(3,558,678)	(3,693,201)
Current surplus	1,025,471	1,484,051
	<b>(1,002,591)</b>	(559,286)
	<b>66,266,441</b>	65,240,970

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, 2015*

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**13. 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.

**14. Aboriginal Affairs and Northern Development Canada reconciliation**

AANDC revenue per confirmation	7,397,173
Less:	
2014 Basic Needs budget allocation	(102,821)
2015 A&C Wastewater <1.5M deferred revenue	(100,000)
<hr/>	
Total funding per consolidated financial statements	<hr/> 7,194,352 <hr/>

**15. Forfeited funding - AANDC reconciliation**

2015 Basic Needs year end reconciliation	94,285
2015 Special Needs year end reconciliation	15,360
2015 Band Employee Benefits year end reconciliation	3,313
<hr/>	
Total forfeited funding - AANDC per consolidated financial statements	<hr/> 112,958 <hr/>

**16. 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.

**17. Comparative figures**

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

**18. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Fond du Lac Denesuline First Nation on March 14, 2014.

**Fond du Lac Denesuline First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2015*

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**19. Contingent liabilities**

These financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

The First Nation is party to a government partnership operating as a non-profit corporation with two other First Nations. The three First Nations as a group have signed loan agreements with the Government of Canada to finance a land claim process. The total of the loans outstanding as at March 31, 2015 is \$15,226,024 (2014 - \$14,172,766). A potential settlement agreement has been offered which would indicate a significant portion of the loan balance would be forgiven, with the remaining balance applied against the settlement amount. Due to the uncertainty whether the loans will actually be repayable and that the three First Nations have not agreed to an allocation of the responsibility for the loan nor the potential settlement payout, no amount related to the loans has been reported in these financial statements. It is possible the First Nation could be responsible for a portion of the loans.

The government partnership has not been reported in these financial statements on a proportionate basis as a result of the First Nations not agreeing to an allocation of the responsibilities for the loan nor the potential settlement payout, and as a result the 'ownership' of the government partnership. Summary financial information from the government partnership's audited financial statements is as follows:

<b>Year</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net assets</b>	<b>Revenues</b>	<b>Expenses</b>	<b>Surplus (deficit)</b>
<b>March 2015</b>	<b>559,631</b>	<b>222,521</b>	<b>337,110</b>	<b>1,110,189</b>	<b>1,318,180</b>	<b>(207,991)</b>
March 2014	878,482	333,381	545,101	1,510,217	1,422,391	87,826

Note: The loan proceeds are reported as revenue by the government partnership as a government transfer from the First Nations. If the First Nation was to proportionately report the operations of the government partnership, the revenue would be reported as a liability of the First Nation as part of the loan repayable.

**Fond du Lac Denesuline First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2015*

	<i>Infrastructure</i>	<i>Housing</i>	<i>Other Buildings</i>	<i>Equipment, Vehicles, Office &amp; Other</i>	<i>Assets Under Construction</i>	<i>2015</i>	<i>2014</i>
<b>Cost</b>							
Balance, beginning of year	45,702,094	15,333,303	23,179,702	1,821,117	585,141	86,621,357	86,099,016
Acquisition of tangible capital assets	-	-	-	37,987	94,980	132,967	522,341
Disposal of tangible capital assets	-	(50,000)	-	-	-	(50,000)	-
Balance, end of year	45,702,094	15,283,303	23,179,702	1,859,104	680,121	86,704,324	86,621,357
<b>Accumulated amortization</b>							
Balance, beginning of year	13,195,664	8,802,689	14,638,659	1,514,231	-	38,151,243	35,356,548
Annual amortization	1,371,063	570,045	625,037	113,061	-	2,679,206	2,794,695
Disposal of tangible capital assets	-	(50,000)	-	-	-	(50,000)	-
Balance, end of year	14,566,727	9,322,734	15,263,696	1,627,292	-	40,780,449	38,151,243
<b>Net book value of tangible capital assets</b>	<b>31,135,367</b>	<b>5,960,569</b>	<b>7,916,006</b>	<b>231,812</b>	<b>680,121</b>	<b>45,923,875</b>	<b>48,470,114</b>
2014 Net book value of tangible capital assets	32,506,430	6,530,614	8,541,043	306,886	585,141	48,470,114	

**Fond du Lac Denesuline First Nation**  
**Schedule 2 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 Actual</b>	<b>2014</b>
Salaries and benefits	3,688,801	4,919,057	4,594,412
Amortization	-	2,679,206	2,794,695
Social assistance	1,047,553	1,458,920	1,425,121
Student expenses	596,200	810,321	804,947
Travel	372,640	632,674	844,408
Supplies	243,511	393,464	383,061
Utilities	297,580	392,152	440,965
Community events	190,700	370,379	537,436
Repairs and maintenance	166,412	285,755	297,657
Funeral	120,000	220,922	122,483
Member assistance	75,000	205,712	288,198
National child benefit - projects	-	154,090	451,552
Program expense	167,048	147,341	150,384
Interest on long-term debt	290,800	125,330	143,369
Professional fees	68,245	124,005	139,479
Insurance	29,000	123,386	125,883
Subcontracts	60,531	103,203	314,740
Freight	42,450	82,582	71,274
Vehicle	200	76,126	68,753
Telephone	53,900	74,228	65,562
Arena maintenance and utilities	21,500	57,757	48,763
Bank charges and interest	31,181	56,193	37,974
Training	38,784	52,457	74,372
Consulting	24,000	23,954	33,991
Homecare	12,941	14,382	19,638
Office rent	-	12,759	11,266
Board travel, training and honouraria	4,000	9,561	5,878
Miscellaneous	-	3,609	11,588
Community donations	9,000	1,827	10,474
Bad debts (recovery)	-	-	(1,503)
Administration (recovery)	9,000	(5,431)	73,117
	<b>7,660,977</b>	<b>13,605,921</b>	<b>14,389,937</b>

**Fond du Lac Denesuline First Nation**  
**Band Government**  
**Schedule 3 - Consolidated Schedule of Revenue and Expenses**  
**and Operating Surplus (Deficit)**  
*For the year ended March 31, 2015*

	<b>2015</b> <i>Budget</i> <i>(Note 18)</i>	<b>2015</b> <i>(Unaudited)</i>	<b>2014</b> <i>(Unaudited)</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	710,085	747,442	746,009
Investment in Nation business entities	-	4,005,098	4,442,520
First Nations Trust	470,800	665,490	704,236
Other revenue	28,800	141,689	292,888
Northern Lights Community Development Corporation	100,000	135,926	92,907
Prince Albert Grand Council	-	91,207	89,178
Portfolio investment income	92,000	50,000	445,000
Goods and Services Tax rebates	35,000	37,021	43,295
User fees	1,800	23,447	24,768
Rental income	12,000	10,300	16,450
Interest income	-	5,698	4,760
Forfeited funding - AANDC	-	(3,313)	(6,578)
	<b>1,450,485</b>	<b>5,910,005</b>	<b>6,895,433</b>
<b>Expenses</b>			
Salaries and benefits	10,800	673,953	600,407
Travel	199,000	408,402	525,791
Community events	190,700	370,379	534,636
Funeral	120,000	220,922	122,483
Member assistance	75,000	205,712	288,198
Professional fees	36,000	94,153	93,349
Supplies	28,800	53,609	70,439
Subcontracts	-	47,508	68,892
Bank charges and interest	18,000	44,159	30,609
Telephone	24,000	39,042	23,858
Consulting	24,000	16,445	13,592
Utilities	18,000	15,298	16,955
Training	-	12,953	39,438
Office rent	-	11,659	11,066
Vehicle	1,200	9,990	8,798
Repairs and maintenance	-	7,856	3,222
Freight	7,800	6,589	14,940
Student expenses	-	6,367	15,105
Community donations	9,000	827	9,193
Administration (recovery)	-	800	17,095
Insurance	-	697	4
Miscellaneous	-	681	50
Bad debts (recovery)	-	-	(1,528)
Interest on long-term debt	160,000	-	-
Arena maintenance and utilities	21,500	-	21,438
	<b>943,800</b>	<b>2,248,001</b>	<b>2,528,030</b>
<b>Operating surplus before transfers</b>	<b>506,685</b>	<b>3,662,004</b>	<b>4,367,403</b>
<b>Transfers between programs</b>	<b>(50,000)</b>	<b>-</b>	<b>(14,105)</b>
<b>Operating surplus</b>	<b>456,685</b>	<b>3,662,004</b>	<b>4,353,298</b>

**Fond du Lac Denesuline First Nation**  
**Community Infrastructure**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
**and Operating Surplus (Deficit)**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 (Unaudited)</b>	<b>2014 (Unaudited)</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	536,575	1,066,387	1,373,183
Canada Mortgage and Housing Corporation	-	135,703	209,880
Rental income	78,000	59,348	60,538
Prince Albert Grand Council	50,000	31,800	48,989
CMHC youth internship	-	6,400	-
Interest income	-	2,387	212
Other revenue	-	25	3,531
Northern Lights Community Development Corporation	-	-	21,750
	<b>664,575</b>	<b>1,302,050</b>	<b>1,718,083</b>
<b>Expenses</b>			
Amortization	-	2,248,380	2,270,262
Salaries and benefits	13,840	266,393	238,152
Utilities	145,980	193,549	167,909
Repairs and maintenance	133,522	165,024	191,206
Interest on long-term debt	130,800	125,330	143,369
Insurance	14,000	100,372	105,804
Supplies	6,660	91,333	115,682
Arena maintenance and utilities	-	57,757	27,325
Vehicle	18,000	46,036	49,961
Subcontracts	60,531	41,746	243,536
Freight	13,200	39,231	22,832
Professional fees	7,745	6,781	7,320
Travel	-	6,581	45,737
Miscellaneous	-	922	1,911
Bank charges and interest	180	232	185
Bad debts (recovery)	-	-	25
Training	500	-	2,951
Community events	-	-	2,800
Consulting	-	-	12,421
Administration	-	(8,572)	28,936
	<b>544,958</b>	<b>3,381,095</b>	<b>3,678,324</b>
<b>Operating deficit before other items</b>	<b>119,617</b>	<b>(2,079,045)</b>	<b>(1,960,241)</b>
<b>Other income</b>			
Gain on disposal of tangible capital assets	-	126,563	-
<b>Operating deficit before transfers</b>	<b>119,617</b>	<b>(1,952,482)</b>	<b>(1,960,241)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>-</b>	<b>14,105</b>
<b>Operating deficit</b>	<b>119,617</b>	<b>(1,952,482)</b>	<b>(1,946,136)</b>



**Fond du Lac Denesuline First Nation**  
**Education**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
**and Operating Surplus (Deficit)**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 (Unaudited)</b>	<b>2014 (Unaudited)</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	3,102,915	3,625,190	3,323,766
Prince Albert Grand Council	952,560	554,213	627,382
Rental income	-	82,595	79,755
Other revenue	-	73,741	36,484
Grants for recreation and cultural activities	44,700	47,678	45,000
Goods and Services Tax rebates	-	14,080	17,706
Donations	-	-	15,000
	<b>4,100,175</b>	<b>4,397,497</b>	<b>4,145,093</b>
<b>Expenses</b>			
Salaries and benefits	2,789,789	2,985,030	2,743,328
Student expenses	596,200	803,954	789,843
Amortization	-	409,881	500,787
Supplies	171,073	203,684	122,361
Utilities	110,000	157,729	228,825
Repairs and maintenance	20,000	79,723	76,217
Travel	81,000	77,011	125,325
Freight	18,450	34,564	28,935
Vehicle	12,000	19,211	7,835
Telephone	12,100	18,131	20,300
Professional fees	13,500	17,220	27,810
Subcontracts	-	13,950	2,313
Board travel, training and honouraria	4,000	9,561	5,878
Bank charges and interest	11,800	9,325	5,816
Training	2,000	8,282	6,424
Program expense	12,000	7,332	35,539
Insurance	-	3,332	2,484
Miscellaneous	-	1,800	-
Administration	-	1,045	5,543
Community donations	-	1,000	1,281
	<b>3,853,912</b>	<b>4,861,765</b>	<b>4,736,844</b>
<b>Operating deficit</b>	<b>246,263</b>	<b>(464,268)</b>	<b>(591,751)</b>

**Fond du Lac Denesuline First Nation**  
**Health**

**Schedule 6 - Consolidated Schedule of Revenue and Expenses  
and Operating Surplus (Deficit)**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 (Unaudited)</b>	<b>2014 (Unaudited)</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	56,772	92,911	56,768
First Nations and Inuit Health Branch	35,000	66,000	66,000
Athabasca Health Authority	1,025,591	1,036,839	996,019
Prince Albert Grand Council	103,000	111,000	109,500
Other revenue	15,000	17,134	34,465
Rental income	-	12,000	12,000
Goods and Services Tax rebates	-	6,614	10,425
Interest income	-	2	19
	<b>1,235,363</b>	<b>1,342,500</b>	<b>1,285,196</b>
<b>Expenses</b>			
Salaries and benefits	871,073	892,832	900,504
Program expense	155,048	140,008	114,845
Travel	92,640	127,449	132,393
Supplies	36,978	43,429	52,696
Training	36,284	31,222	25,559
Utilities	23,600	25,576	27,275
Amortization	-	20,944	23,647
Insurance	15,000	18,985	17,591
Repairs and maintenance	12,890	17,351	20,013
Telephone	17,800	17,055	21,404
Homecare	12,941	14,382	19,638
Consulting	-	6,914	7,978
Professional fees	11,000	5,851	11,000
Bank charges and interest	1,200	2,475	1,365
Freight	3,000	1,935	4,072
Administration	9,000	1,300	16,542
Miscellaneous	-	-	9,626
Office rent	-	-	200
Vehicle	(31,000)	-	1,152
	<b>1,267,454</b>	<b>1,367,708</b>	<b>1,407,500</b>
<b>Operating deficit</b>	<b>(32,091)</b>	<b>(25,208)</b>	<b>(122,304)</b>

**Fond du Lac Denesuline First Nation**  
**Social Development**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
**and Operating Surplus (Deficit)**  
*For the year ended March 31, 2015*

	<b>2015 Budget (Note 18)</b>	<b>2015 (Unaudited)</b>	<b>2014 (Unaudited)</b>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	1,069,452	1,662,422	1,929,112
Forfeited funding - AANDC	-	(109,645)	(98,928)
	<b>1,069,452</b>	<b>1,552,777</b>	<b>1,830,184</b>
<b>Expenses</b>			
Social assistance	1,047,553	1,458,920	1,425,121
National child benefit - projects	-	154,090	451,552
Salaries and benefits	3,300	100,848	112,020
Repairs and maintenance	-	15,800	6,999
Travel	-	13,232	15,161
Supplies	-	1,409	21,884
Office rent	-	1,100	-
Vehicle	-	889	1,007
Consulting	-	595	-
Freight	-	263	495
Miscellaneous	-	206	-
Administration	-	-	5,000
	<b>1,050,853</b>	<b>1,747,352</b>	<b>2,039,239</b>
<b>Operating deficit before transfers</b>	<b>18,599</b>	<b>(194,575)</b>	<b>(209,055)</b>
<b>Transfers between programs</b>	<b>50,000</b>	<b>-</b>	<b>-</b>
<b>Operating deficit</b>	<b>68,599</b>	<b>(194,575)</b>	<b>(209,055)</b>