

**Montreal Lake Cree Nation**  
**Consolidated Financial Statements**  
*March 31, 2014*

# Montreal Lake Cree Nation

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For the year ended March 31, 2014

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## Management's Responsibility

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To the Members of Montreal Lake Cree Nation:

The accompanying consolidated financial statements of Montreal Lake Cree Nation are the responsibility of management and have been approved by 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 Montreal Lake Cree Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council is responsible for 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 Cree Nation's external auditors.

MNP LLP is appointed by the Council to audit the consolidated financial statements and report directly to the Members; 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.

Signed Mark D'Amato

Mark D'Amato, Band Manager

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## Independent Auditors' Report

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To the Members of Montreal Lake Cree Nation:

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

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

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

### *Auditors' Responsibility*

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

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

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

### *Basis for Qualified Opinion*

The reporting entity of Montreal Lake Cree Nation consists of two separate communities, Montreal Lake and Little Red River, each with its own administration. During our examination of the 2014 fiscal year, we noted deficiencies in the accounting records and systems of internal controls at the Little Red River administration and health programs. The deficiencies noted relate to program delivery expenses other than income assistance, payroll, and amortization. The accounts which we were unable to verify are approximately 5.7%, or \$1,400,000 of the Cree Nation's total expenses. Because of the deficiencies noted, we were unable to determine whether adjustments were required in respect of recorded and unrecorded expenses, surplus, accounts receivable, accounts payable and accruals, accumulated surplus, and cash flows.

### *Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Montreal Lake Cree Nation as at March 31, 2014 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

August 5, 2014

**MNP LLP**  
Chartered Accountants

**Montreal Lake Cree Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2014*

	2014	2013 (Restated - Note 18)
<b>Financial assets</b>		
<b>Current</b>		
Cash resources	686,186	1,309,212
Accounts receivable (Note 3)	1,277,031	1,036,565
Inventory for resale (Note 4)	23,412	147,711
Restricted cash - capital projects (Note 7)	1,957,851	497,479
	3,944,480	2,990,967
Investments in business enterprises (Note 5)	2,462,257	770,381
Funds held in trust (Note 6)	133,956	178,581
Restricted cash - housing (Note 7)	1,316,371	1,119,729
<b>Total financial assets</b>	<b>7,857,064</b>	<b>5,059,658</b>
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	1,335,801	531,013
Accounts payable and accruals	1,520,752	1,340,663
Deferred revenue (Note 9)	2,044,217	587,812
Due to related business enterprise	5,255	3,471
Current portion of long-term debt (Note 10)	872,635	943,741
	5,778,660	3,406,700
Long-term debt (Note 10)	7,238,936	7,980,086
<b>Total financial liabilities</b>	<b>13,017,596</b>	<b>11,386,786</b>
<b>Net debt</b>	<b>(5,160,532)</b>	<b>(6,327,128)</b>
<b>Contingencies (Note 11)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 12)	22,642,100	22,940,541
Prepaid expenses	113,752	97,735
<b>Accumulated surplus (Note 13)</b>	<b>17,595,320</b>	<b>16,711,148</b>

Approved on behalf of the Council

Signed Edward Henderson

Chief

Signed Jarret Nelson

Councillor

Signed Roger Bird

Signed Sydney Nelson

Signed Jamie Halkett

Signed Frank Roberts

Signed Darrell Naytowhow

The accompanying notes are an integral part of these financial statements

# Montreal Lake Cree Nation

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2014*

	<i>Schedules</i>	<b>2014</b> <i>Budget</i> <i>- Note 17</i>	<b>2014</b> <i>Actual</i>	<b>2013</b> <i>(Restated -</i> <i>Note 18)</i> <i>Actual</i>
<b>Revenue</b>				
Aboriginal Affairs and Northern Development Canada <i>(Note 15)</i>		10,403,571	12,420,451	12,481,256
Health Canada <i>(Note 16)</i>		3,363,881	3,923,397	3,916,544
Prince Albert Grand Council		526,110	1,274,494	1,304,947
Canada Mortgage and Housing Corporation		706,163	846,521	755,890
First Nations Trust		1,200,000	1,371,236	1,366,552
Other revenue		204,640	1,183,196	1,444,863
Retail sales		-	1,104,366	4,708,478
Investment income		-	822,721	115,141
Rental income		749,731	751,559	807,762
Operating revenues - government partnership		-	749,393	849,201
Northern Lights Community Development Corporation		-	329,689	205,500
User fees		56,841	42,396	-
Interest on trust funds		-	5,268	5,106
		<b>17,210,937</b>	<b>24,824,687</b>	<b>27,961,240</b>
<b>Program expenses</b>				
Administration	3	1,260,102	1,830,862	2,383,102
Band Activities	4	80,053	1,441,528	1,583,197
Community Infrastructure	5	1,156,712	2,630,845	2,720,352
Economic Development	6	-	1,104,408	4,527,416
Education	7	3,146,622	3,172,647	3,196,760
Housing	8	1,462,018	1,803,598	1,449,671
Other Programs	9	84,960	1,174,450	763,001
Post Secondary	11	953,876	1,373,610	1,137,838
Social Development	12	4,203,296	4,946,456	5,051,911
Social Support Services	13	3,763,311	4,875,931	5,423,071
<b>Total expenses</b>		<b>16,110,950</b>	<b>24,354,335</b>	<b>28,236,319</b>
<b>Surplus (deficit) before other items</b>		<b>1,099,987</b>	<b>470,352</b>	<b>(275,079)</b>
<b>Other income</b>				
Gain on disposal of capital assets		-	413,820	1,198,750
<b>Surplus</b>		<b>1,099,987</b>	<b>884,172</b>	<b>923,671</b>
<b>Accumulated surplus, beginning of year</b>		<b>16,711,148</b>	<b>16,711,148</b>	<b>15,787,477</b>
<b>Accumulated surplus, end of year <i>(Note 13)</i></b>		<b>17,811,135</b>	<b>17,595,320</b>	<b>16,711,148</b>

**Montreal Lake Cree Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2014*

	<b>2014</b> <i>Budget</i> <i>- Note 17</i>	<b>2014</b> <i>Actual</i>	<b>2013</b> <i>(Restated -</i> <i>Note 18)</i> <i>Actual</i>
<b>Annual operating surplus</b>	<b>1,099,987</b>	<b>884,172</b>	923,671
Purchases of tangible capital assets	-	<b>(1,871,241)</b>	(1,199,325)
Amortization of tangible capital assets	-	<b>1,984,549</b>	1,960,496
Gain on sale of tangible capital assets	-	<b>(413,820)</b>	(1,198,750)
Insurance proceeds on housing assets	-	<b>497,189</b>	1,198,749
Capital assets transferred as investment	-	<b>101,764</b>	-
Acquisition of prepaid expenses	-	<b>(16,017)</b>	-
Use of prepaid expenses	-	-	38,094
<b>Decrease in net debt</b>	<b>1,099,987</b>	<b>1,166,596</b>	1,722,935
<b>Net debt, beginning of year</b>	<b>(6,327,128)</b>	<b>(6,327,128)</b>	(8,050,063)
<b>Net debt, end of year</b>	<b>(5,227,141)</b>	<b>(5,160,532)</b>	(6,327,128)

# Montreal Lake Cree Nation

## Consolidated Statement of Cash Flows

For the year ended March 31, 2014

	2014	2013 (Restated - Note 18)
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus	884,172	923,671
Non-cash items		
Amortization	1,984,549	1,960,496
Gain on disposal of housing assets	(413,820)	(1,198,750)
Investment income	(822,720)	(40,141)
Transfer of net assets - non-cash items	(284,321)	-
	1,347,860	1,645,276
Changes in working capital accounts		
Accounts receivable	(240,466)	169,985
Inventory	124,299	37,071
Prepaid expenses	(16,017)	38,094
Accounts payable and accruals	180,088	(553,407)
Deferred revenue	1,456,405	533,491
	2,852,169	1,870,510
<b>Financing activities</b>		
Increase (decrease) in bank indebtedness	804,788	(427,683)
Advances of long-term debt	550,071	-
Repayment of long-term debt	(1,362,327)	(1,252,994)
Advances from related parties	1,784	-
Repayment of advances from related parties	-	(55,070)
	(5,684)	(1,735,747)
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,871,241)	(1,199,325)
Insurance proceeds on housing assets	497,189	1,198,749
Capital assets transferred as investment	101,764	-
	(1,272,288)	(576)
<b>Investing activities</b>		
Increase in restricted cash	(1,657,014)	(703,831)
Decrease (increase) in funds held in trust	44,625	(5,106)
Income and contributions to investments (net)	(60,000)	(77,914)
Cash distribution from investment	-	950,000
Transfer of cash resources to investment	(524,834)	-
	(2,197,223)	163,149
<b>Increase (decrease) in cash resources</b>	(623,026)	297,336
<b>Cash resources, beginning of year</b>	1,309,212	1,011,876
<b>Cash resources, end of year</b>	686,186	1,309,212



**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**1. Operations**

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

**2. Significant accounting policies**

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

***Reporting entity consolidated***

The financial statements consolidate the financial activities of all entities and departments comprising the Cree Nation reporting entity, except for Cree Nation business entities. Trusts administered on behalf of third parties by Montreal Lake Cree Nation are excluded from the Cree Nation reporting entity.

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

- Montreal Lake Cree Nation
- Little Red River Reserve
- William Charles Health Centre
- Paskwawaskihk Health Centre
- Montreal Lake CMHC Housing Program
- Paskwawaskihk Community Store
- Montreal Lake Development Corporation

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.

The Nation has proportionately consolidated the assets, liabilities, revenues and expenses of the following government partnerships:

- Four Nations Police Management Board
- Woodland Cree Enterprises Incorporated

Investments in government partnerships are accounted for using the proportionate consolidation method. The Cree Nation's pro-rata share of the assets, liabilities, revenues and expenses of the government partnerships have been combined on a line-by-line basis with similar items of the Cree Nation.

Montreal Lake Cree Nation business entities, owned or controlled by the Cree Nation's Council but not dependent on the Cree 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 Cree Nation. Thus, the Cree 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:

- Montreal Lake Business Ventures Limited Partnership
- Montreal Lake Business Ventures Ltd.

Portfolio investments which are owned by Montreal Lake Cree Nation but not controlled or influenced by the First Nation are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported at. The Cree Nation has the following portfolio investments:

- La Ronge Wild Rice Corp. - 5.3% ownership interest

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

***Basis of presentation***

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

***Cash resources***

Cash resources include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Inventory***

Inventory is valued at the lower of cost and net realizable value using weighted average cost.

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

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

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

Funds held in trust on behalf of Cree Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position. Trust moneys consist of:

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

***Tangible capital assets***

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

***Amortization***

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

	<b><i>Method</i></b>	<b><i>Rate</i></b>
Buildings	straight-line	20-25 years
Housing	straight-line	15 years
Equipment, computers, furniture	straight-line	3-5 years
Infrastructure	straight-line	40 years
Roads	straight-line	40 years
Vehicles	straight-line	10 years

***Revenue recognition***

***Funding***

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

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

**Government Transfers**

The Cree 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 Cree Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Rental income**

Income associated with the rental of homes to members is recorded monthly when rental amounts are measurable and collection is reasonably assured.

**Retail sales**

Income from retail sales is recognized when the sale is made and the customer takes possession of the merchandise.

**Investment income**

Investment income is recognized when earned.

**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 are stated after an assessment as to their collectability has been made.

Amortization is based on the estimated useful lives of the assets.

Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined.

**Segments**

The Cree Nation conducts its business through 10 reportable segments:

- Administration - includes the administration and governance activities.
- Band Activities - includes all other band activities of the Cree Nation.
- Community infrastructure - includes the operations and maintenance of the First Nation's buildings and infrastructure.
- Economic development - includes the activities of the Cree Nation's economic development initiatives and its business entities.
- Education - includes the operations of education programs.
- Housing - includes the operations and maintenance of all on reserve housing.
- Other - includes all internal activities of the Cree nation for member development.
- Post secondary - includes the activities of the post secondary program.
- Social development - includes the activities relating to income assistance for membership.
- Social support services - includes the operations of health and community wellness programming.

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. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

***Net financial assets (net debt)***

The Cree Nation's financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the Cree Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus (deficit).

***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.

***Recent accounting pronouncements***

***Liability for contaminated sites***

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Cree Nation has not yet determined the effect of the new section in its financial statements.

***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. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Earlier adoption is permitted.

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 Cree Nation has not yet determined the effect of these new standards on its financial statements.

**3. Accounts receivable**

	2014	2013
Prince Albert Grand Council	363,474	192,186
Other accounts receivable	238,349	319,559
Government partnerships	174,110	26,273
Northern Lights Community Development Corporation	155,006	-
Trust fund receivable	144,263	144,263
Member receivables	101,517	368,205
CMHC subsidy receivable	58,847	58,847
Aboriginal Affairs and Northern Development Canada	41,465	96,128
Province of Saskatchewan	-	160,069
	1,277,031	1,365,530
Less: Allowance for doubtful accounts	-	328,965
	1,277,031	1,036,565

**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**4. Inventory for resale**

Inventory for resale consists of fuel, tobacco and grocery items at the Paskwawaskihk Community Store.

Included in the prior year inventory figure is \$124,299 relating to Montreal Lake's other retail entity. In 2014 this entity was part of a restructuring which resulted in the entity being reported as part of Montreal Lake Business Ventures Limited Partnership - see Note 5.

**5. Investments in business enterprises**

The Cree Nation has the following investments:

	2014	2013
Modified Equity Method		
Montreal Lake Business Ventures Limited Partnership	2,454,757	1,555,226
- 99.99% ownership interest, March 31 year end		
Montreal Lake Business Ventures Limited	-	-
- 100% ownership interest, March 31 year end		
Portfolio Investment - Cost Method		
La Ronge Wild Rice Corporation	7,500	7,500
- 5.3% ownership interest, December 31 year end		
	<b>2,462,257</b>	<b>1,562,726</b>

The condensed consolidated financial information of Montreal Lake Business Ventures Limited Partnership is:

Assets	Liabilities	Equity	Revenues	Cost of Sales	Expenses	Net Earnings (Loss)	Other Comprehensive Income (Loss)
5,072,380	224,664	4,847,716	5,182,823	2,880,196	1,568,551	787,114	(103,499)

Equity, beginning of year	770,381
Transfer of ownership interest in Ne He Thow Store	809,155
Transfer of ownership interest Northern Resource Trucking	1
Contribution of Northern Resource Trucking Dividends	60,000
Net earnings	822,720
	<b>2,462,257</b>

Effective April 1, 2013, the Ne He Thow Store operations and certain assets and liabilities were contributed to a new limited partnership (Ne He Thow Limited Partnership) in exchange for partnership units. The partnership units were then contributed to the Montreal Lake Business Ventures Limited Partnership by the Cree Nation. The Cree Nation retained ownership of the building, gas tanks and gas pumps.

**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**6. Funds held in trust**

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

	2014	2013
<b>Capital Trust</b>		
Balance, beginning and end of year	126,624	126,624
<b>Revenue Trust</b>		
Balance, beginning of year	51,957	46,851
Interest	5,268	5,106
Less: Transfer to Montreal Lake Cree Nation - Equipment additions per Schedule 1 (per BCR-01-01-02)	(49,893)	-
Balance, end of year	7,332	51,957
	<b>133,956</b>	<b>178,581</b>

**7. Restricted cash**

	2014	2013
<b>Capital Projects</b>		
Water Treatment Plant	167,639	284,886
William Charles Health Centre upgrade	1,790,212	212,593
	<b>1,957,851</b>	<b>497,479</b>
<b>Housing</b>		
CMHC Replacement Reserve	1,166,173	1,119,729
Self-insurance bank account	150,198	-
	<b>1,316,371</b>	<b>1,119,729</b>
	<b>3,274,222</b>	<b>1,617,208</b>

The self-insurance bank account is restricted to paying reconstruction costs of units damaged by fire. The Cree Nation does not carry third party insurance on their housing units. The Cree Nation funds the self-insurance bank account from funding through an allocation of band based capital.

# Montreal Lake Cree Nation

## Notes to the Consolidated Financial Statements

*For the year ended March 31, 2014*

### 8. Bank indebtedness

Bank indebtedness includes draws against lines of credit and bank balance less outstanding cheques. At March 31, 2014 the Cree Nation had three lines of credit available:

- Montreal Lake Administration - approved limit of \$300,000; of which \$961,940 (2013 - \$338,270) has been drawn.
- Paskawaskihk Administration - approved limit of \$50,000; of which \$56,244 (2013 - \$nil) has been drawn.
- William Charles Health Centre - approved limit of \$75,000; of which nil (2013 - \$nil) has been drawn.

The lines of credit charge interest at bank prime plus 1.50% and are secured by a General Security Agreement, First Nations Bank being the 1st loss payee on the Cree Nation's fire insurance policy, as well as an assignment of Aboriginal Affairs and Northern Development Canada funding for Montreal Lake Administration and Paskawaskihk Administrations line of credit and Health Canada Funding over the William Charles Health Centre line of credit.

### 9. Deferred revenue

	<b>2014</b> <b>Actual</b>	<b>2013</b> <i>(Restated - Note 18)</i> <b>Actual</b>
William Charles Health Centre upgrades - Health Canada	1,735,710	212,593
Water Treatment Plant - AANDC	154,092	284,886
Government Partnership - Woodland Cree	140,868	26,528
Lagoon Project - AANDC	11,763	-
Flooding Project - AANDC	1,784	-
Northern Lights Community Development Corporation	-	63,805
	<b>2,044,217</b>	<b>587,812</b>

### 10. Long-term debt

	<b>2014</b>	<b>2013</b>
CMHC mortgage - Phase I, interest at 5.39%, maturity date of December 2016, and repayable in blended monthly principal and interest payments of \$824. Secured by a ministerial guarantee.	25,234	33,531
CMHC mortgage - Phase VI, interest at 1.99%, maturity date of May 2014, and repayable in blended monthly principal and interest payments of \$2,440. Secured by a ministerial guarantee.	21,786	50,323
CMHC mortgage - Phase VII, interest at 1.99%, maturity date of April 2016, and repayable in blended monthly principal and interest payments of \$2,582. Secured by a ministerial guarantee.	63,206	92,626
CMHC mortgage - Phase X, interest at 1.99%, maturity date of April 2019, and repayable in blended monthly principal and interest payments of \$2,147. Secured by a ministerial guarantee.	124,508	147,558
Conexus Credit Union mortgage - Phase XII, interest at 4.94%, maturity date of March 2015, and repayable in blended monthly principal and interest payments of \$3,122. Secured by a ministerial guarantee.	68,357	101,684
CMHC mortgage - Phase XIII, interest at 1.70%, maturity date of November 2016, and repayable in blended monthly principal and interest payments of \$1,400. Secured by a ministerial guarantee.	43,776	59,689



**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**10. Long-term debt** *(Continued from previous page)*

	<b>2014</b>	<b>2013</b>
CMHC mortgage - Phase XIV, interest at 1.58%, maturity date of November 2016, and repayable in blended monthly principal and interest payments of \$1,803. Secured by a ministerial guarantee.	<b>56,452</b>	77,019
CMHC mortgage - Phase XV, interest at 1.99%, maturity date of January 2019, and repayable in blended monthly principal and interest payments of \$3,418. Secured by a ministerial guarantee.	<b>188,899</b>	225,770
CMHC mortgage - Phase XVI, interest at 2.65%, maturity date of August 2024, and repayable in blended monthly principal and interest payments of \$2,118. Secured by a ministerial guarantee.	<b>231,240</b>	250,286
CMHC mortgage - Phase XVII, interest at 2.26%, maturity date of June 2026, and repayable in blended monthly principal and interest payments of \$3,470. Secured by a ministerial guarantee.	<b>445,407</b>	476,638
CMHC mortgage - Phase XVIII, interest at 1.53%, maturity date of November 2027, and repayable in blended monthly principal and interest payments of \$2,703. Secured by a ministerial guarantee.	<b>399,835</b>	425,951
CMHC mortgage - Phase XIX, interest at 2.86%, maturity date of November 2028, and repayable in blended monthly principal and interest payments of \$3,908. Secured by a ministerial guarantee.	<b>561,801</b>	592,248
CMHC mortgage - Phase XX, interest at 1.53%, maturity date of October 2027, and repayable in blended monthly principal and interest payments of \$21,697. Secured by a ministerial guarantee.	<b>3,192,355</b>	3,402,285
CMHC mortgage - Phase XXI, bearing interest at 2.76%, maturity date of June 2035, and repayable in blended monthly principal and interest payments of \$14,793. Secured by a ministerial guarantee.	<b>2,321,949</b>	2,434,062
First Nations Bank loan, interest at prime plus 1.50% per annum, maturity date of September 2016 and repayable in blended monthly principal and interest payments of \$7,576. Secured by a general security agreement.	<b>220,835</b>	-
First Nations Bank loan, interest at prime plus 1.50% per annum, maturity date of April 2014 and repayable in an annual principal payout plus interest of \$115,855. Secured by a general security agreement.	<b>112,817</b>	-
First Nations Bank loan, interest at prime plus 1.50% per annum, maturity date of September 2014, and repayable in blended monthly principal and interest payments of \$2,733. Secured by a general security agreement.	<b>16,197</b>	-
Toyota loan, interest at bank prime plus at 1.9%, maturity date of September 2014, and repayable in monthly payments of \$879. Secured by a vehicle.	<b>5,242</b>	15,578
Toyota loan, interest at bank prime plus at 1.9%, maturity date of September 2014, and repayable in monthly payments of \$879. Secured by a vehicle.	<b>5,242</b>	15,578
Toyota loan, interest at bank prime plus at 1.9%, maturity date of September 2014, and repayable in monthly payments of \$879. Secured by a vehicle.	<b>5,242</b>	15,578
De Lage Landen, interest at bank prime plus at 8%, and repayable in monthly payments of \$466 plus interest. Secured by equipment.	<b>1,191</b>	7,423



**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**10. Long-term debt** *(Continued from previous page)*

	2014	2013
First Nations Bank loan	-	500,000
	<b>8,111,571</b>	8,923,827
Less: current portion	<b>872,635</b>	943,741
	<b>7,238,936</b>	7,980,086

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

2015	872,635
2016	705,602
2017	605,984
2018	529,681
2019	533,893

Long-term debt is subject to certain covenants with respect to timely submission of the annual audited financial statements to their tender as well as restrictions that may be in place. As at March 31, 2014, the First Nation is in compliance with all such covenants. It is management's opinion that the First Nation is likely to remain in compliance with all long-term debt covenants throughout the next twelve months.

**11. Contingent liabilities**

The Cree Nation has been named a defendant in six separate legal proceedings alleging breach of contract. The likelihood of loss can not be determined, nor can the amount of settlement be determined, if any. Any liability stemming from these actions will be recorded in the period it is determined.

These consolidated financial statements are subject to review by Aboriginal Affairs and Northern Development Canada, Health Canada, Prince Albert Grand Council and other funding agencies. It is possible that adjustments could be made based on the results of their review.

**12. Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

Included in assets under construction is \$25,956 of costs to rebuild two housing units. The budget to complete these units is \$250,000 which is to be financed by an annual allocation from Band Based Capital. The remaining assets under construction are financed by Health Canada and Aboriginal Affairs and Northern Development Canada and are managed by a third party contractor.

**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

**13. Accumulated surplus**

Accumulated surplus consists of the following:

	2014	2013
Equity in investments	2,462,257	770,381
Equity in funds held in trust	133,956	178,581
CMHC reserves	2,093,033	2,285,577
Equity in tangible capital assets	14,530,529	14,516,714
Government partnership	(53,940)	18,570
Operating deficit	(1,570,515)	(1,058,675)
	<u>17,595,320</u>	<u>16,711,148</u>

**14. Economic dependence**

Montreal Lake Cree Nation receives substantially all 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 Cree Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

**15. Reconciliation of Aboriginal Affairs and Northern Development Canada Funding**

Funding per confirmation	12,413,598
Water Treatment Plant funding received in 2013	130,794
Basic Needs 2014 funding receivable	1,245
Employee Benefits 2014 funding receivable	163
Basic Needs 2013 accounts recoverable	(72,791)
Employee Benefits 2014 funding recoverable	(29,844)
Lagoon Project 2014 funding not expended	(11,763)
Early Childhood Intervention 2014 funding payable	(8,107)
Flooding Project 2014 funding not expended	(1,784)
Special Needs 2014 funding repayable	(1,060)
	<u>12,420,451</u>

**16. Reconciliation of Health Canada Funding**

Funding received per agreement SK1400054	3,872,522
Add: Capital Health Centre Project funding earned	373,588
Less: Recovery of funding	(322,713)
	<u>3,923,397</u>

**17. Budget information**

The disclosed budget information has been approved by the Chief and Council of the Montreal Lake Cree Nation at the meeting held on May 7, 2013.

**Montreal Lake Cree Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2014*

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**18. Correction of an error**

During the year, the Cree Nation determined that its involvement in Woodland Cree Enterprises Incorporated constituted a Government Partnership and therefore the transactions in Woodland Cree should have previously been proportionately consolidated into Montreal Lake Cree Nation's annual financial statements. The effect of this correction on the comparative financial statements in March 31, 2013 are as follows:

Consolidated statement of financial position

Cash resources	increased	\$ 57,326
Accounts receivable	increased	24,490
Prepaid expenses	increased	21,029
Accounts payable and accruals	increased	59,529
Deferred revenue	increased	26,528
Accumulated surplus	increased	18,570

Statement of operations and accumulated surplus

Government partnership revenues	increased	\$ 849,201
Government partnership expenses	increased	848,092

**19. Comparative figures**

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

**20. Compliance with authorities**

The Cree 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 is dated after July 29, 2014, the Cree Nation is in breach of this requirement. The possible effect of this breach has not yet been determined.

**Montreal Lake Cree Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2014*

	<b>Buildings</b>	<b>Housing</b>	<b>Roads</b>	<b>Equipment, computers and furniture</b>	<b>Vehicles</b>	<b>Subtotal</b>
<b>Cost</b>						
Balance, beginning of year	17,863,150	19,996,735	1,367,426	106,708	2,449,483	41,783,502
Acquisition of tangible capital assets	322,176	1,136,330	-	311,796	415,161	2,185,463
Construction-in-progress	373,588	26,969	48,216	-	-	448,773
Disposal of tangible capital assets	-	(205,802)	-	(277,790)	-	(483,592)
Reclassification of construction-in-progress	-	(912,027)	-	-	-	(912,027)
Balance, end of year	18,558,914	20,042,205	1,415,642	140,714	2,864,644	43,022,119
<b>Accumulated amortization</b>						
Balance, beginning of year	11,560,847	13,979,598	554,055	106,708	1,900,293	28,101,501
Annual amortization	677,750	703,531	34,252	114,956	124,187	1,654,676
Accumulated amortization on disposals	-	(123,069)	-	(175,390)	-	(298,459)
Balance, end of year	12,238,597	14,560,060	588,307	46,274	2,024,480	29,457,718
<b>Net book value of tangible capital assets</b>	<b>6,320,317</b>	<b>5,482,145</b>	<b>827,335</b>	<b>94,440</b>	<b>840,164</b>	<b>13,564,401</b>
2013 Net book value of tangible capital assets	6,302,303	6,017,137	813,371	-	549,190	13,682,001

**Montreal Lake Cree Nation**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2014*

	<i>Subtotal</i>	<i>Infrastructure</i>	<i>2014</i>	<i>2013</i>
			<i>Actual</i>	<i>(Restated - Note 18) Actual</i>
<b>Cost</b>				
Balance, beginning of year	41,783,502	13,194,914	54,978,416	53,779,091
Acquisition of tangible capital assets	2,185,463	-	2,185,463	249,891
Construction-in-progress	448,773	149,032	597,805	949,434
Disposal of tangible capital assets	(483,592)	-	(483,592)	-
Reclassification of construction-in-progress	(912,027)	-	(912,027)	-
Balance, end of year	43,022,119	13,343,946	56,366,065	54,978,416
<b>Accumulated amortization</b>				
Balance, beginning of year	28,101,501	3,936,374	32,037,875	30,077,379
Annual amortization	1,654,676	329,873	1,984,549	1,960,496
Accumulated amortization on disposals	(298,459)	-	(298,459)	-
Balance, end of year	29,457,718	4,266,247	33,723,965	32,037,875
<b>Net book value of tangible capital assets</b>	<b>13,564,401</b>	<b>9,077,699</b>	<b>22,642,100</b>	<b>22,940,541</b>
2013 Net book value of tangible capital assets	13,682,001	9,258,540	22,940,541	

# Montreal Lake Cree Nation

## Schedule 2 - Schedule of Consolidated Expenses by Object

*For the year ended March 31, 2014*

	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>2013 (Restated - Note 18) Actual</i>
<b>Consolidated expenses by object</b>			
Administration	218,783	12,220	265,918
Amortization	-	1,984,549	1,960,496
Assistance	4,144,004	5,258,245	5,039,510
Automotive	204,933	300,827	203,737
Bad debts	-	-	177,765
Bank charges and interest	18,591	93,074	87,889
Community donations	21,270	80,412	48,651
Community events	-	37,634	122,351
Consulting	155,605	566,622	277,911
Contracted services	433,815	468,235	439,815
Cost of goods sold	-	970,955	3,750,745
Elders fees	-	-	20,119
Elders support	5,562	5,235	-
Election	-	78,516	-
Funeral	-	7,929	15,983
Furniture and equipment	59,334	165,664	1,655
Honouraria	175,901	547,296	385,055
Insurance	117,774	123,768	230,219
Interest on long-term debt	1,032,822	191,757	331,591
Janitorial	9,270	22,327	-
Medical support	3,090	385	-
Meeting	15,237	48,865	30,006
Miscellaneous	16,994	180,576	24,985
Office supplies	69,438	92,459	120,521
Operating expenses - government partnership	-	821,904	848,092
Pharmacy	110,210	93,925	-
Private pension	-	160,309	6,634
Professional fees	86,532	161,409	333,122
Program expense	102,027	506,233	1,481,679
Renovations	-	126,447	-
Rent	21,126	48,875	80,134
Repairs and maintenance	496,033	841,934	347,534
Salaries and benefits	6,530,309	6,801,928	8,096,899
Septic waste hauling	-	15,230	-
Sports and recreation	-	-	74,324
Student expenses	620,629	834,205	675,441
Supplies	231,999	821,736	1,000,628
Telephone	117,554	110,588	118,504
Training	149,051	191,852	190,307
Travel	318,282	630,925	537,058
Tuition	216,400	666,540	569,476
Utilities	408,375	282,745	341,565
	16,110,950	24,354,335	28,236,319

**Montreal Lake Cree Nation**  
**Administration**  
**Schedule 3 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	870,812	914,207	989,401
Prince Albert Grand Council	-	1,014	-
User fees	56,841	1,119	-
Other revenue	-	530,294	862,050
	<b>927,653</b>	<b>1,446,634</b>	<b>1,851,451</b>
<b>Expenses</b>			
Administration	-	3,060	(54,814)
Amortization	-	3,906	3,906
Assistance	-	7,999	-
Automotive	-	25,994	17,513
Bad debts	-	-	49,286
Bank charges and interest	12,000	70,373	71,642
Community donations	-	4,002	11,600
Community events	-	-	49,492
Consulting	120,000	206,088	251,915
Contracted services	10,000	30,438	94,558
Election	-	65,465	-
Furniture and equipment	-	19,576	-
Honouraria	84,000	228,380	242,539
Insurance	74,292	-	2,162
Inter program administration	-	(421,948)	-
Interest on long-term debt	-	8,965	41,570
Janitorial	-	2,598	-
Meeting	-	31,991	11,358
Miscellaneous	-	9,738	8,250
Office supplies	-	38,484	23,844
Private pension	-	160,309	6,634
Professional fees	55,000	114,706	189,529
Program expense	-	3,317	-
Rent	-	15,134	9,699
Repairs and maintenance	-	26,387	24,381
Salaries and benefits	738,226	756,930	901,310
Supplies	-	36,970	192,224
Telephone	52,992	39,771	34,292
Training	-	47,271	14,667
Travel	108,000	257,843	154,180
Utilities	5,592	37,115	31,365
	<b>1,260,102</b>	<b>1,830,862</b>	<b>2,383,102</b>
<b>Deficit before transfers</b>	<b>(332,449)</b>	<b>(384,228)</b>	<b>(531,651)</b>
<b>Transfers between programs</b>	<b>(80,366)</b>	<b>687,773</b>	<b>787,079</b>
<b>Surplus</b>	<b>(412,815)</b>	<b>303,545</b>	<b>255,428</b>

**Montreal Lake Cree Nation**  
**Band Activities**  
**Schedule 4 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	-	24,000	60,000
Prince Albert Grand Council	-	-	178,339
Investment income	-	822,721	115,141
Operating revenues - government partnership	-	749,393	849,201
Other revenue	113,000	363,221	255,360
Northern Lights Community Development Corporation	-	-	22,500
	<b>113,000</b>	<b>1,959,335</b>	<b>1,480,541</b>
<b>Expenses</b>			
Administration	-	2,185	-
Amortization	-	55,555	74,340
Assistance	-	7,013	150,859
Automotive	-	17,673	20,617
Bank charges and interest	-	(196)	332
Community donations	-	2,488	2,600
Community events	-	24,000	-
Consulting	-	500	9,850
Contracted services	-	6,506	15,901
Funeral	-	-	15,183
Honouraria	-	9,185	8,549
Insurance	-	-	3,080
Meeting	-	300	502
Miscellaneous	-	150	-
Office supplies	-	402	156
Operating expenses - government partnership	-	821,904	848,092
Program expense	-	183,744	64,803
Rent	-	5,020	3,600
Repairs and maintenance	-	4,124	11,323
Salaries and benefits	80,053	193,643	242,461
Sports and recreation	-	-	11,100
Supplies	-	83,581	45,419
Telephone	-	2,606	6,387
Training	-	13,299	-
Travel	-	7,734	7,835
Utilities	-	112	40,208
	<b>80,053</b>	<b>1,441,528</b>	<b>1,583,197</b>
<b>Surplus (deficit) before transfers</b>	<b>32,947</b>	<b>517,807</b>	<b>(102,656)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>89,936</b>	<b>273,164</b>
<b>Surplus</b>	<b>32,947</b>	<b>607,743</b>	<b>170,508</b>



**Montreal Lake Cree Nation**  
**Community Infrastructure**  
**Schedule 5 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2014*

	<b>2014</b> <i>Budget</i> <i>- Note 17</i>	<b>2014</b> <i>Unaudited</i>	<b>2013</b> <i>Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	970,777	1,286,982	1,347,827
Prince Albert Grand Council	-	238,675	83,615
User fees	-	41,277	-
Rental income	-	38,845	-
Other revenue	-	15,660	101,115
	<b>970,777</b>	<b>1,621,439</b>	<b>1,532,557</b>
<b>Expenses</b>			
Administration	-	4,000	-
Amortization	-	1,113,268	1,056,156
Assistance	-	2,500	-
Automotive	129,960	96,585	69,350
Bank charges and interest	-	2,700	72
Community donations	-	1,900	500
Consulting	-	-	3,564
Contracted services	250,664	178,960	153,412
Furniture and equipment	-	30,653	-
Honouraria	-	5,785	2,429
Insurance	27,360	102,531	212,412
Miscellaneous	-	406	401
Office supplies	-	2,653	2,910
Program expense	-	-	111,229
Renovations	-	39,388	-
Rent	14,400	24,958	46,247
Repairs and maintenance	129,200	192,593	42,295
Salaries and benefits	239,896	607,980	626,993
Septic waste hauling	-	5,050	-
Sports and recreation	-	-	55,957
Supplies	60,000	101,216	142,989
Telephone	25,088	15,040	20,980
Training	24,000	1,775	1,626
Travel	9,600	12,860	38,813
Utilities	246,544	88,044	132,017
	<b>1,156,712</b>	<b>2,630,845</b>	<b>2,720,352</b>
<b>Deficit before transfers</b>	<b>(185,935)</b>	<b>(1,009,406)</b>	<b>(1,187,795)</b>
<b>Transfers between programs</b>	<b>85,421</b>	<b>(239,100)</b>	<b>(28,600)</b>
<b>Deficit</b>	<b>(100,514)</b>	<b>(1,248,506)</b>	<b>(1,216,395)</b>

**Montreal Lake Cree Nation**  
**Economic Development**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Prince Albert Grand Council	-	145,500	-
Retail sales	-	1,104,366	4,708,478
	-	1,249,866	4,708,478
<b>Expenses</b>			
Amortization	-	126	27,048
Bad debts	-	-	12,140
Bank charges and interest	-	5,951	8,289
Community donations	-	-	3,209
Consulting	-	5,000	-
Contracted services	-	-	16,943
Cost of goods sold	-	970,955	3,750,745
Insurance	-	-	2,240
Miscellaneous	-	2,100	-
Office supplies	-	1,324	10,679
Professional fees	-	-	38,934
Repairs and maintenance	-	-	26,920
Salaries and benefits	-	105,780	562,857
Supplies	-	-	716
Telephone	-	5,443	11,511
Training	-	-	958
Travel	-	-	23,561
Utilities	-	7,729	30,666
	-	1,104,408	4,527,416
<b>Surplus before transfers</b>	-	145,458	181,062
<b>Transfers between programs</b>	-	(33,900)	-
<b>Surplus</b>	-	111,558	181,062

**Montreal Lake Cree Nation**  
**Education**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	2,674,460	2,788,593	2,785,906
Prince Albert Grand Council	362,110	499,715	514,299
Other revenue	6,240	2,607	-
Rental income	-	-	41,929
Northern Lights Community Development Corporation	-	-	500
	<b>3,042,810</b>	<b>3,290,915</b>	<b>3,342,634</b>
<b>Expenses</b>			
Administration	-	-	254,098
Amortization	-	8,758	8,758
Assistance	-	-	4,715
Automotive	3,964	46,500	22,600
Community donations	-	2,001	1,430
Consulting	5,762	5,062	250
Contracted services	12,054	60,082	66,291
Furniture and equipment	3,176	90,341	1,655
Honouraria	22,778	49,401	27,505
Insurance	1,722	9,169	-
Interest on long-term debt	91,020	-	3,225
Janitorial	-	11,807	-
Meeting	15,237	6,769	1,478
Miscellaneous	16,994	-	3,480
Office supplies	6,813	18,992	8,143
Program expense	-	53,151	42,091
Renovations	-	39,736	-
Rent	6,726	300	538
Repairs and maintenance	28,752	46,082	40,415
Salaries and benefits	2,671,332	2,443,838	2,420,977
Student expenses	45,993	40,604	20,186
Supplies	68,026	51,235	164,446
Telephone	7,920	10,554	2,736
Training	7,760	11,288	5,200
Travel	18,329	27,443	19,009
Tuition	400	84,725	13,655
Utilities	111,864	54,809	63,879
	<b>3,146,622</b>	<b>3,172,647</b>	<b>3,196,760</b>
<b>Surplus before transfers</b>	<b>(103,812)</b>	<b>118,268</b>	<b>145,874</b>
<b>Transfers between programs</b>	<b>179,997</b>	<b>-</b>	<b>4,506</b>
<b>Surplus</b>	<b>76,185</b>	<b>118,268</b>	<b>150,380</b>

**Montreal Lake Cree Nation**  
**Housing**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Canada Mortgage and Housing Corporation	706,163	846,521	755,890
Rental income	749,731	712,715	765,834
Other revenue	80,000	66,300	42,196
	<b>1,535,894</b>	<b>1,625,536</b>	<b>1,563,920</b>
<b>Expenses</b>			
Administration	-	-	3,550
Amortization	-	703,531	683,046
Automotive	20,400	30,917	23,794
Bank charges and interest	1,441	194	4,630
Consulting	-	-	2,000
Contracted services	-	4,642	2,351
Furniture and equipment	-	100	-
Honouraria	-	8,618	1,750
Interest on long-term debt	941,802	182,792	286,796
Meeting	-	1,025	904
Miscellaneous	-	6,827	5,558
Office supplies	-	3,567	8,829
Professional fees	16,082	17,009	25,332
Renovations	-	24,770	-
Rent	-	500	-
Repairs and maintenance	323,483	553,231	146,870
Salaries and benefits	148,010	228,539	180,399
Septic waste hauling	-	8,700	-
Supplies	-	249	61,231
Telephone	-	4,376	6,401
Training	-	1,050	-
Travel	4,800	3,476	6,230
Utilities	6,000	19,485	-
	<b>1,462,018</b>	<b>1,803,598</b>	<b>1,449,671</b>
<b>Surplus (deficit) before other items and transfers</b>	<b>73,876</b>	<b>(178,062)</b>	<b>114,249</b>
<b>Other income</b>			
Gain on disposal of capital assets	-	413,820	1,198,750
<b>Transfers between programs</b>	<b>-</b>	<b>343,030</b>	<b>-</b>
<b>Surplus</b>	<b>73,876</b>	<b>578,788</b>	<b>1,312,999</b>

**Montreal Lake Cree Nation**  
**Other Programs**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<b>2014</b> <i>Budget</i> <i>- Note 17</i>	<b>2014</b> <i>Unaudited</i>	<b>2013</b> <i>Unaudited</i>
<b>Revenue</b>			
Prince Albert Grand Council	-	10,278	212,524
First Nations Trust	1,200,000	1,371,236	1,366,552
Northern Lights Community Development Corporation	-	329,689	182,500
Other revenue	-	198,460	145,280
	<b>1,200,000</b>	<b>1,909,663</b>	<b>1,906,856</b>
<b>Expenses</b>			
Administration	-	-	13,169
Assistance	72,960	428,085	-
Automotive	-	4,435	4,360
Bank charges and interest	-	6,172	-
Community donations	12,000	33,385	3,000
Community events	-	5,334	-
Contracted services	-	31,410	22,259
Elders fees	-	-	20,119
Elders support	-	1,711	-
Election	-	13,051	-
Funeral	-	7,929	-
Furniture and equipment	-	3,350	-
Honouraria	-	26,616	500
Janitorial	-	150	-
Meeting	-	-	12,794
Miscellaneous	-	155,220	-
Program expense	-	183,948	515,594
Renovations	-	1,520	-
Rent	-	-	850
Repairs and maintenance	-	920	1,105
Salaries and benefits	-	-	113,603
Sports and recreation	-	-	7,267
Student expenses	-	6,200	-
Supplies	-	221,915	46,698
Training	-	2,410	-
Travel	-	15,195	371
Utilities	-	25,494	1,312
	<b>84,960</b>	<b>1,174,450</b>	<b>763,001</b>
<b>Surplus before transfers</b>	<b>1,115,040</b>	<b>735,213</b>	<b>1,143,855</b>
<b>Transfers between programs</b>	<b>200,000</b>	<b>(876,983)</b>	<b>(1,056,081)</b>
<b>Surplus (deficit)</b>	<b>1,315,040</b>	<b>(141,770)</b>	<b>87,774</b>

**Montreal Lake Cree Nation**  
**Ottawa Trust**  
**Schedule 10 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Interest on trust funds	-	5,268	5,106
<b>Surplus</b>	-	5,268	5,106

**Montreal Lake Cree Nation**  
**Post Secondary**  
**Schedule 11 - Consolidated Schedule of Revenues and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	1,294,565	1,294,565	1,294,565
<b>Expenses</b>			
Administration	-	-	4,800
Automotive	-	1,737	3,076
Community donations	-	600	-
Consulting	1,246	400	4,633
Contracted services	-	640	2,194
Honouraria	21,640	31,500	23,432
Meeting	-	2,035	2,768
Office supplies	-	2,075	775
Program expense	-	1,200	6,300
Rent	-	1,350	19,200
Repairs and maintenance	-	210	2,726
Salaries and benefits	109,218	92,404	85,350
Student expenses	574,636	785,750	655,255
Supplies	-	1,017	12,797
Telephone	5,172	4,543	6,349
Training	-	2,154	950
Travel	24,524	41,317	14,686
Tuition	216,000	401,815	289,705
Utilities	1,440	2,863	2,842
	953,876	1,373,610	1,137,838
<b>Surplus (deficit) before transfers</b>	340,689	(79,045)	156,727
<b>Transfers between programs</b>	129,456	-	(21,120)
<b>Surplus (deficit)</b>	470,145	(79,045)	135,607

**Montreal Lake Cree Nation**  
**Social Development**  
**Schedule 12 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Aboriginal Affairs and Northern Development Canada	4,483,177	4,853,629	4,980,245
<b>Expenses</b>			
Administration	-	-	33,712
Assistance	4,071,044	4,758,615	4,865,579
Bank charges and interest	-	4,699	-
Consulting	-	54,100	700
Contracted services	-	1,024	27,590
Furniture and equipment	56,158	(519)	-
Honouraria	-	4,366	1,150
Miscellaneous	-	275	-
Office supplies	24,000	3,337	2,368
Salaries and benefits	47,294	109,382	91,899
Supplies	-	-	8,475
Telephone	-	344	297
Training	-	560	-
Travel	4,800	10,273	20,141
	4,203,296	4,946,456	5,051,911
<b>Deficit before transfers</b>	279,881	(92,827)	(71,666)
<b>Transfers between programs</b>	(106,048)	(3,190)	-
<b>Deficit</b>	173,833	(96,017)	(71,666)



**Montreal Lake Cree Nation**  
**Social Support Services**  
**Schedule 13 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenue</b>			
Health Canada	3,363,881	3,549,808	3,879,137
Aboriginal Affairs and Northern Development Canada	109,780	1,061,228	1,008,198
Prince Albert Grand Council	164,000	379,312	316,170
Other revenue	5,400	6,654	38,861
	<b>3,643,061</b>	<b>4,997,002</b>	<b>5,242,366</b>
<b>Expenses</b>			
Administration	135,505	2,975	11,403
Amortization	-	99,405	107,241
Assistance	-	54,033	18,358
Automotive	50,609	76,987	42,427
Bad debts	-	-	116,339
Bank charges and interest	5,150	3,180	2,925
Community donations	9,270	36,037	26,312
Community events	-	8,300	72,859
Consulting	28,597	295,472	5,000
Contracted services	161,097	154,531	38,316
Elders support	5,562	3,524	-
Funeral	-	-	800
Furniture and equipment	-	22,163	-
Honouraria	47,483	183,446	77,202
Insurance	14,400	12,068	10,325
Inter program administration	83,278	421,948	-
Janitorial	9,270	7,772	-
Medical support	3,090	385	-
Meeting	-	6,744	200
Miscellaneous	-	5,861	7,296
Office supplies	38,625	21,624	62,816
Pharmacy	110,210	93,925	-
Professional fees	15,450	29,694	79,328
Program expense	102,027	80,873	741,661
Renovations	-	21,033	-
Rent	-	1,613	-
Repairs and maintenance	14,598	18,387	51,500
Salaries and benefits	2,496,280	2,263,435	2,871,047
Septic waste hauling	-	1,480	-
Student expenses	-	1,652	-
Supplies	103,973	325,551	325,634
Telephone	26,382	27,912	29,551
Training	117,291	112,045	166,905
Travel	148,229	254,783	252,233
Tuition	-	180,000	266,116
Utilities	36,935	47,093	39,277
	<b>3,763,311</b>	<b>4,875,931</b>	<b>5,423,071</b>
<b>Surplus (deficit) before transfers</b>	<b>(120,250)</b>	<b>121,071</b>	<b>(180,705)</b>
<b>Transfers between programs</b>	<b>(408,460)</b>	<b>32,434</b>	<b>41,052</b>
<b>Surplus (deficit)</b>	<b>(528,710)</b>	<b>153,505</b>	<b>(139,653)</b>

**Montreal Lake Cree Nation**  
**Capital**

**Schedule 14 - Consolidated Schedule of Revenues and Expenses**

*For the year ended March 31, 2014*

	<i>2014 Budget - Note 17</i>	<i>2014 Unaudited</i>	<i>2013 Unaudited</i>
<b>Revenues</b>			
Health Canada	-	<b>373,588</b>	37,407
Aboriginal Affairs and Northern Development Canada	-	<b>197,247</b>	15,114
<b>Surplus</b>	-	<b>570,835</b>	52,521