

**Peter Ballantyne Cree  
Nation**

**Consolidated Financial Statements  
March 31, 2014**

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

December 4, 2014

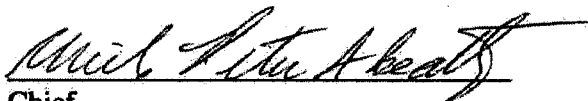
To the Members of Peter Ballantyne Cree Nation

Management of Peter Ballantyne Cree Nation has the responsibility for preparing the accompanying financial statements and ensuring that all information in the related reports is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian public sector accounting standards.

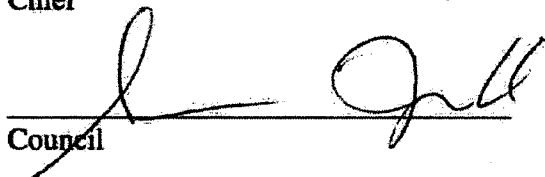
In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary systems of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

Ultimate responsibility for financial statements to the members of the First Nation lies with the Chief and Council of Peter Ballantyne Cree Nation who review the financial statements in detail with management prior to their approval for publication.

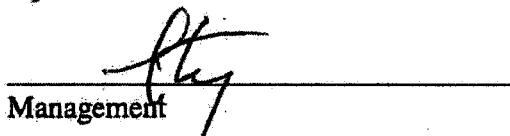
External auditors are appointed by the Chief and Council to audit the financial statements and are available to meet separately with both the Chief and Council and management to review their findings. The external auditors have full and free access to discuss their audit and their findings as to the integrity of the financial reporting and the adequacy of the system of internal controls.



Chief



Council



Management



December 4, 2014

## **Independent Auditor's Report**

**To the Chief and Council of  
Peter Ballantyne Cree Nation**

We have audited the accompanying consolidated financial statements of Peter Ballantyne Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the consolidated financial statements**

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

### **Auditor's responsibility**

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

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

**Basis for qualified opinion**

As a result of deficiencies in the accounting records of Peter Ballantyne Cree Nation we were unable to obtain sufficient and appropriate audit evidence to support the accuracy, completeness and occurrence assertions of other revenue and Non-AANDC Administration expenses and the completeness assertion of accounts payable. Therefore we were not able to determine whether any adjustments might be necessary to other revenue, Non-AANDC Administration expenses and excess of revenue over expenses for the years ended March 31, 2014 and 2013, accounts payable as at March 31, 2014 and 2013 and accumulated surplus as of April 1 and March 31 for both 2014 and 2013. Our audit opinion on the consolidated financial statements for the year ended March 31, 2013 was modified accordingly because of the possible effect of the limitations in scope.

The accompanying consolidated financial statements do not include a comparison of budget and actual results required by PS 1201, "Consolidated financial statement Presentation".

**Qualified opinion**

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

*PricewaterhouseCoopers LLP*

**Chartered Accountants**

**Peter Ballantyne Cree Nation**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2014**

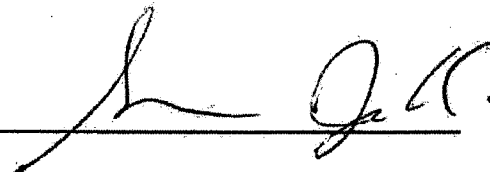
	2014	2013
	\$	\$
<b>Financial assets</b>		
Cash	1,124,196	-
Accounts receivable (note 2)	6,299,139	5,125,928
Restricted cash (note 3)	19,742,891	12,235,929
Trust funds held by federal government (note 4)	104,185	221,605
Investments in government business enterprises (note 5)	35,882,117	31,318,950
	<u>63,152,528</u>	<u>48,902,412</u>
<b>Financial liabilities</b>		
Bank indebtedness	-	1,306,413
Accounts payable and accrued liabilities	11,765,193	9,232,756
Deferred revenue (note 6)	13,715,833	6,976,378
Debt (note 7)	6,647,572	4,645,618
	<u>32,128,598</u>	<u>22,161,165</u>
<b>Net financial assets</b>	<u>31,023,930</u>	<u>26,741,247</u>
<b>Non-financial assets</b>		
Prepaid expenses	16,918	27,735
Tangible capital assets (note 11)	42,575,203	33,161,873
	<u>42,592,121</u>	<u>33,189,608</u>
<b>Accumulated surplus</b>	<u>73,616,051</u>	<u>59,930,855</u>
<b>Contingent liabilities (note 8)</b>		

Approved by Chief and Council

Chief



Councillor



# Peter Ballantyne Cree Nation

## Consolidated Statement of Operations

For the year ended March 31, 2014

	2014	2013
	\$	\$
<b>Revenue</b>		
Aboriginal Affairs and Northern Development Canada (AANDC)	66,610,939	57,307,960
Health Canada	13,922,390	13,785,690
Equity in earnings of Peter Ballantyne Developments Limited Partnership	5,574,823	5,126,314
Prince Albert Grand Council	5,514,727	4,746,284
Saskatchewan Indian Gaming Authority	3,511,590	3,525,031
Provincial tax rebates	2,335,957	1,852,275
Northern Lights Community Development Corporation	1,159,483	1,100,850
Other	1,100,838	308,958
Government of Canada	969,858	475,641
Housing rental income	678,780	678,960
Northern Lights School Division	493,742	547,826
Canada Mortgage and Housing Corporation	408,788	703,743
Ministry of Social Services	301,745	238,504
Management fees	257,585	181,800
Teacherage rental income	231,898	227,567
Northern Inter-Tribal Health Authority	183,543	183,117
Interest income	132,710	163,180
ASKI Resource Management and Environmental Services LP	116,913	607,908
User fees	76,566	71,122
Woodland Cree Enterprises	12,250	22,633
	<u>103,595,125</u>	<u>91,855,363</u>
<b>Expenses (note 9)</b>		
Child and Family Services	14,930,954	12,128,022
Non-AANDC Administration	12,852,031	11,001,477
Health Services	12,845,669	12,608,738
Basic Needs	12,202,267	12,986,167
Education	11,013,574	10,554,135
Provincial Tuition	3,662,286	3,712,297
Post Secondary Education	3,157,942	3,355,392
Community Infrastructure	2,064,783	1,914,407
School Operations and Maintenance	2,290,095	1,936,751
Special Education	2,143,001	2,304,603
AANDC Administration	1,875,259	1,525,602
Reinvestment	1,780,826	1,629,323
Special Needs	1,210,965	1,483,186

# Peter Ballantyne Cree Nation

## Consolidated Statement of Operations - cont'd.

For the year ended March 31, 2014

	2014	2013
	\$	\$
<b>Expenses (continued)</b>		
Housing	117,565	3,374,916
Band Employee Benefits	632,685	717,611
Social Assistance	609,120	448,786
CMHC Rental Housing	426,412	498,667
Prince Albert Office Complex	359,591	205,525
Enhanced Teachers	331,473	635,725
Council Component	308,686	177,648
Skills Link Program	142,150	119,151
ASKI Resource Management & Environmental Services LP	125,881	707,225
Active Measures	118,488	20,045
Indian Registry	53,644	53,109
Special Projects	42,200	-
Early Childhood Intervention Program	-	291,859
Summer Work Experience	96,000	82,720
Certified Water Operator	225,885	67,500
Amortization of tangible capital assets	4,290,498	3,825,283
	<u>89,909,929</u>	<u>88,365,870</u>
<b>Surplus for the year</b>	<u>13,685,196</u>	<u>3,489,493</u>
<b>Accumulated surplus - Beginning of year</b>	<u>59,930,855</u>	<u>56,441,362</u>
<b>Accumulated surplus - End of year</b>	<u>73,616,051</u>	<u>59,930,855</u>

**Peter Ballantyne Cree Nation**  
**Statement of Changes in Net Financial Assets**  
**For the year ended March 31, 2014**

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	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Operating surplus for the year</b>	13,685,196	3,489,493
Acquisition of tangible capital assets	(13,703,828)	(3,707,213)
Amortization of tangible capital assets	<u>4,290,498</u>	<u>3,825,283</u>
	4,271,866	3,607,563
Decrease in prepaid expenses	<u>10,817</u>	<u>124,562</u>
<b>Change in net financial assets</b>	4,282,683	3,732,125
<b>Net financial assets - Beginning of year</b>	<u>26,741,247</u>	<u>23,009,122</u>
<b>Net financial assets - End of year</b>	<u>31,023,930</u>	<u>26,741,247</u>



# Peter Ballantyne Cree Nation

## Statement of Cash Flows

For the year ended March 31, 2014

	2014	2013
	\$	\$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Operating surplus for the year	13,685,196	3,489,493
Items not affecting cash		
Equity in earnings of Peter Ballantyne Developments Limited Partnership	(5,689,669)	(5,252,470)
Amortization of tangible capital assets	4,290,498	3,825,283
Net change in financial assets and liabilities (note 10)	7,981,918	3,320,516
	<u>20,267,943</u>	<u>5,382,822</u>
<b>Investing activities</b>		
Distributions of investments	1,126,502	822,310
Distributions of trust funds held by federal government	245,000	350,000
	<u>1,371,502</u>	<u>1,172,310</u>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(13,703,828)	(3,707,213)
<b>Financing activities</b>		
Debt issuances	2,685,000	-
Debt retirement	(683,046)	(1,201,247)
	<u>2,001,954</u>	<u>(1,201,247)</u>
<b>Net increase in cash</b>	<u>9,937,571</u>	<u>1,646,672</u>
<b>Net cash - Beginning of year</b>	<u>10,929,516</u>	<u>9,282,844</u>
<b>Net cash - End of year</b>	<u>20,867,087</u>	<u>10,929,516</u>
<b>Net cash is comprised of</b>		
Cash	1,124,196	-
Bank indebtedness	-	(1,306,413)
Restricted cash	19,742,891	12,235,929
	<u>20,867,087</u>	<u>10,929,516</u>
<b>Supplemental disclosure of cash flow information</b>		
<b>Cash paid during the year for</b>		
Interest	<u>240,936</u>	<u>314,033</u>

**Peter Ballantyne Cree Nation**  
Notes to Consolidated Financial Statements  
March 31, 2014

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**1 Summary of significant accounting policies**

a) Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accounts.

b) Reporting entity

Peter Ballantyne Cree Nation (the "First Nation") is located in northeast Saskatchewan and has administration offices at Pelican Narrows, Prince Albert (Kiskaciwan), Southend-Reindeer Lake, Deschambault Lake, Sandy Bay, Denare Beach and Sturgeon Landing. The First Nation's reporting entity includes the First Nation's government and all related entities that are controlled by the First Nation.

c) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise and the enterprise's net income (or net loss) and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the First Nation.

Organizations consolidated in the First Nation's financial statements include:

- Peter Ballantyne Band #355 Aboriginal Affairs and Northern Development Canada ("AANDC") funded operations (Pelican Narrows Administration, Kiskaciwan Administration, Southend-Reindeer Lake Administration, Deschambault Lake Administration, Sandy Bay Administration, Band Wide Administration, Denare Beach Administration and Sturgeon Landing Administration).
- Non-AANDC administrative operations of Peter Ballantyne Cree Nation (Pelican Narrows Non-AANDC Administration, Prince Albert Administration Non-AANDC Administration, Southend-Reindeer Lake Non-AANDC Administration, Deschambault Lake Non-AANDC Administration, Sandy Bay Non-AANDC Administration, Denare Beach Non-AANDC Administration and Bandwide Non-AANDC Administration).
- Peter Ballantyne Child and Family Services Inc., Peter Ballantyne Cree Nation Health Services Incorporated, Peter Ballantyne Housing Management Inc. and Prince Albert Office Complex.

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

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Organizations accounted for on a modified equity basis include Peter Ballantyne Developments Limited Partnership (a government business enterprise).

d) Cash

Cash includes cash on hand and balances with banks. Bank overdrafts are presented as a liability on the consolidated statement of financial position and are considered a component of net cash for purposes of the consolidated statement of cash flows.

e) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Amortization is provided for on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and housing	5 to 25 years
Capital infrastructure	25 years
Equipment and vehicles	5 years

f) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

g) Restricted cash

Restricted cash consists of funding surpluses that are either internally or externally restricted for specific purposes including physical asset expenditures, Canada Mortgage and Housing Corporation ("CMHC") replacement reserve expenditures, Health Services expenditures, and Child and Family Services expenditures.

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### h) Measurement uncertainty

The preparation of the 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 the disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Items requiring the use of significant estimates include the recoverability of accounts receivable and the useful lives of tangible capital assets. Actual amounts could differ from these estimates.

### i) Income taxes

No provision for income taxes is included in these consolidated financial statements on the basis that the First Nation is exempt from income taxes under Section 149 of the Income Tax Act and Section 87 of the Indian Act.

## 2 Accounts receivable

	2014 \$	2013 \$
Aboriginal Affairs and Northern Development Canada	4,203,499	2,680,670
Other	594,671	866,992
Ministry of Social Services	446,336	290,436
Prince Albert Grand Council	363,557	145,500
Northern Lights School Division	334,819	547,825
Health Canada	225,242	175,010
Canada Mortgage and Housing Corporation	131,015	419,495
	<u>6,299,139</u>	<u>5,125,928</u>

## 3 Restricted cash

Surplus funding has been appropriated to provide for future expenditures as follows:

	2014 \$	2013 \$
Peter Ballantyne Cree Nation Health Services Inc.	8,257,441	6,055,908
Peter Ballantyne Cree Nation Administration Capital Projects	7,384,949	1,063,396
Peter Ballantyne Cree Nation CMHC Housing Program	1,838,812	6,370
Peter Ballantyne Child & Family Services Inc.	1,730,745	5,109,496
Prince Albert Office Complex	350,000	-
Peter Ballantyne Cree Nation Self Insurance	180,944	759
	<u>19,742,891</u>	<u>12,235,929</u>

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 4 Funds in trust

The following is a summary of current year activity in the First Nation funds held in trust by AANDC. The payments under Section 66 relate to Band Council Resolutions.

	Capital \$	Revenue \$	Total \$
Balance – March 31, 2013	80,276	141,329	221,605
Add			
Interest	-	7,032	7,032
Lease	-	120,548	120,548
	80,276	268,909	349,185
Deduct			
Payments under Section 66	-	245,000	245,000
Balance – March 31, 2014	80,276	23,909	104,185

### 5 Investments in government business enterprises

	2014 \$	2013 \$
Investments held directly by Peter Ballantyne Cree Nation		
Health Services Inc.	1,446,185	1,331,339
Investments held directly by Peter Ballantyne Developments		
Limited Partnership	34,435,932	29,987,611
	35,882,117	31,318,950

The First Nation owns 100% of Peter Ballantyne Developments Limited Partnership, Peter Ballantyne Cree Nation Ambulance Services and First Pharmacy Plus Ltd. Peter Ballantyne Developments Limited Partnership's investment portfolio includes investments in forestry, hospitality, insurance, real estate and retail operations.

The following table presents condensed financial information for these commercial enterprises:

	2014 \$	2013 \$
Assets	40,460,766	36,180,527
Liabilities	4,559,568	4,842,481
Shareholders' Equity	35,901,198	31,338,046
Revenue	52,184,999	47,051,199
Expenses	46,380,484	41,672,572
Excess of revenue over expenses	5,804,515	5,378,627

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

	2014 \$	2013 \$
Cash from operating activities	4,350,534	4,143,298
Cash used in investing activities	(2,291,738)	(153,588)
Cash used in financing activities	(1,578,539)	(2,107,559)

### 6 Deferred revenue

	Balance at March 31, 2013 \$	Funding received \$	Revenue recognized \$	Balance at March 31, 2014 \$
Federal government	6,587,880	17,577,962	11,620,884	12,544,958
Provincial government	207,775	68,628	-	276,403
Other	180,723	713,749	-	894,472
	<u>6,976,378</u>	<u>18,360,339</u>	<u>11,620,884</u>	<u>13,715,833</u>

	Balance at March 31, 2012 \$	Funding received \$	Revenue recognized \$	Balance at March 31, 2013 \$
Federal government	7,475,775	1,493,852	2,381,747	6,587,880
Provincial government	-	207,775	-	207,775
Other	180,424	299	-	180,723
	<u>7,656,199</u>	<u>1,701,926</u>	<u>2,381,747</u>	<u>6,976,378</u>

### 7 Debt

	2014 \$	2013 \$
<b>Section 95 Housing</b>		
Phase 1, mortgage loan payable to the Bank of Nova Scotia at \$7,801 per month including interest at 4.39%, maturing December 2014. Loan is guaranteed by the Government of Canada.	128,380	214,374
Phase 2, mortgage loan payable to the CIBC at \$19,094 per month including interest at 5.19%, maturing October 2016. Loan is guaranteed by the Government of Canada.	918,861	1,095,872
Phase 3, mortgage loan payable to the CIBC at \$1,818 per month including interest at 5.39%, maturing August 2016. Loan is guaranteed by the Government of Canada.	96,960	113,141

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

	2014 \$	2013 \$
Phase 4, mortgage loan payable to CMHC at \$1,043 per month including interest at 5.19%, maturing November 2020. Loan is guaranteed by the Government of Canada.	70,444	79,129
Phase 5, mortgage loan payable to CMHC at \$1,126 per month including interest at 5.24%, maturing January 2020. Loan is guaranteed by the Government of Canada.	67,852	77,615
Phase 6, mortgage loan payable to CMHC at \$1,465 per month including interest at 1.92%, maturing April 2019. Loan is guaranteed by the Government of Canada.	85,104	100,930
Phase 7, mortgage loan payable to CMHC at \$7,367 per month including interest at 2.61%, with a renewal date of September 2014 and maturing in June 2024. Loan is guaranteed by the Government of Canada.	794,638	861,610
Phase 8, mortgage loan payable to CMHC at \$5,485 per month including interest at 2.84%, with a renewal date of April 2015 and maturing in February 2025. Loan is guaranteed by the Government of Canada.	617,654	665,415
<b>Rural and Native Housing</b>		
Phase 5, mortgage loan payable to CMHC at \$11,923 per month including interest at 11.75%, maturing October 2014. Loan is guaranteed by the Government of Canada.	78,826	204,166
<b>Child and Family Services</b>		
First Nations Bank of Canada, term loan, interest at prime plus 4.75%, repayable in monthly blended payments of \$9,459, secured by a general security agreement over all assets.	1,137,265	1,193,341
First Nations Bank of Canada, term loan, interest at prime plus 2.10%, repayable in monthly principal instalments of \$1,819.	18,193	40,025
<b>Total capital debt</b>	<u>4,014,177</u>	<u>4,645,618</u>
<b>Operating debt</b>		
First Nations Bank of Canada, term loan, interest at a fixed rate of 4.87%, repayable in quarterly payments of principal of \$143,250 with interest payments due monthly, maturing October 2018.	2,633,395	-
<b>Total debt</b>	<u>6,647,572</u>	<u>4,645,618</u>

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

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The First Nation has a \$250,000 operating loan credit facility available through the First Nations Bank of Canada, bearing annual interest at prime rate plus 1.25%, on which no amounts were drawn as of March 31, 2014. The First Nation also has a commercial term facility available through the First Nations Bank of Canada, on which \$2,633,395 was drawn at March 31, 2014 as noted in the "Operating debt" section of the table above.

The commercial term facility is secured by a general security agreement, a guarantee of advances of \$2,865,000 executed by Peter Ballantyne Developments LP, Band Council Resolution issued by the First Nation authorizing an assignment of term deposit and/or credit balances registered in the name of the First Nation in the amount of \$760,000.

Principal payments due over the next five years are as follows:

	\$
2015	1,166,024
2016	1,043,099
2017	1,026,147
2018	1,046,832
2019	597,723

### 8 Contingencies, commitments and contracts

- a) A variety of claims have been filed against the First Nation, the Chief and Council, specific band members and employees that relate to various issues, including personnel matters, economic development, wrongful dismissal matters, and the signing of Treaty Land Entitlement or other Band Specific Agreements. One claim relating to economic development activity alleges losses exceeding \$10.5 million. While the potential outcomes of these claims are not determinable at this time, management estimates that the eventual settlement of these claims will not result in significant impact to the First Nation's financial position or operations.
- b) In prior years, payments were made to Peter Ballantyne Cree Nation Band Development Ltd., a First Nation controlled entity whose balances and activities have been reported in these consolidated financial statements. These payments originated from the Peter Ballantyne Cree Nation Treaty Land Entitlement Trust, a separate entity whose operations and balances are not reported in these consolidated financial statements. Certain of these payments and their ultimate expenditure are under investigation by the First Nation, the Trust, and legal authorities. The First Nation has been in discussions with the Peter Ballantyne Cree Nation Treaty Land Entitlement Trust for potential repayment of these monies. The potential outcome of the investigation and discussions, and their impact on these consolidated financial statements, is not determinable at this time.
- c) The First Nation has obligations under operating leases for office furniture and equipment. Future minimum lease payments are approximately \$250,000 per year for the next 5 years.
- d) Security for the CMHC housing loans has been provided by a ministerial guarantee of future AANDC funding.



**Peter Ballantyne Cree Nation**  
**Notes to Consolidated Financial Statements**  
**March 31, 2014**

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**9 Expenses by type**

	2014 \$	2013 \$
Salaries, wages and benefits	33,178,144	30,789,664
Social assistance	13,413,232	14,469,353
Child and family services	6,685,339	5,850,146
Student support	6,203,539	6,737,570
Member support	4,946,731	4,861,147
Amortization of tangible capital assets	4,290,498	3,825,283
Travel	2,894,135	2,636,424
Services	2,747,034	2,742,918
Supplies	2,166,632	1,545,106
Designated projects	2,112,081	3,560,192
Other	1,969,962	1,477,562
Utilities	1,963,519	1,620,090
Repairs and maintenance	1,738,380	2,734,538
Training	1,356,027	1,178,818
Administration and governance	1,271,232	1,302,468
Donations and grants	650,113	545,621
Cultural activities	537,469	507,437
Insurance	396,203	428,545
Bank charges and interest	387,682	382,582
Nursing	372,380	340,619
Vehicles	245,332	212,567
Professional fees	196,498	248,640
Program development	140,706	50,224
Contracts	47,062	191,438
Bad debt expense	-	126,918
	<u>89,909,930</u>	<u>88,365,870</u>

**10 Net change in financial assets and liabilities**

	2014 \$	2013 \$
Accounts receivable	(1,173,211)	5,573,225
Trust funds held by federal government	(127,580)	(133,089)
Prepaid expenses	10,817	124,562
Accounts payable and accrued liabilities	2,532,437	(1,564,361)
Deferred revenue	6,739,455	(679,821)
	<u>7,981,918</u>	<u>3,320,516</u>

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

### 11 Tangible capital assets

	2014				2013
	Rental housing \$	Buildings and housing \$	Equipment and vehicles \$	Capital infrastructure \$	Total \$
<b>Cost</b>					
Opening costs	10,733,874	32,797,165	9,521,485	119,823,237	172,875,761
Additions	-	3,167,812	618,977	9,917,039	13,703,828
Disposals	-	-	-	-	664,187
	10,733,874	35,964,977	10,140,462	129,740,276	186,579,589
<b>Accumulated amortization</b>					
Opening accumulated amortization	6,351,739	21,176,307	6,809,560	105,376,282	139,713,888
Disposals	-	-	-	-	618,302
Amortization expense	556,541	1,728,634	443,880	1,561,443	4,290,498
	6,908,280	22,904,941	7,253,440	106,937,725	144,004,386
<b>Net book value</b>	3,825,594	13,060,036	2,887,022	22,802,551	42,575,203

**Peter Ballantyne Cree Nation****Notes to Consolidated Financial Statements****March 31, 2014**

	2013				2012	
	Rental housing \$	Buildings and housing \$	Equipment and vehicles \$	Capital infrastructure \$	Total \$	Total \$
<b>Cost</b>						
Opening costs	10,733,874	30,978,364	9,372,322	118,702,290	169,786,850	164,670,010
Additions	-	2,113,398	518,753	1,120,947	3,753,098	5,116,840
Disposals	-	294,597	369,590	-	664,187	-
	10,733,874	32,797,165	9,521,485	119,823,237	172,875,761	169,786,850
<b>Accumulated amortization</b>						
Opening accumulated amortization	5,864,835	19,692,634	6,690,947	104,258,491	136,506,907	131,273,765
Disposals	-	258,239	360,063	-	618,302	-
Amortization expense	486,904	1,741,912	478,676	1,117,791	3,825,283	5,233,142
	6,351,739	21,176,307	6,809,560	105,376,282	139,713,888	136,506,907
<b>Net book value</b>	4,382,135	11,620,858	2,711,925	14,446,955	33,161,873	33,279,943

**Peter Ballantyne Cree Nation**  
**Notes to Consolidated Financial Statements**  
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**12 Segment disclosure**

The First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by control relationship. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Summary of Significant Accounting Policies as described in note 1. The segment results are as follows:

	<u>AANDC Administration</u>		<u>Non-AANDC Administration</u>		<u>Child and Family Services</u>	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
<b>Revenues</b>						
Federal government transfers	51,626,612	44,941,744	403,891	-	15,229,019	12,806,872
Provincial government transfers	-	-	2,335,957	1,852,275	301,745	238,504
Other	4,638,874	3,636,061	12,594,958	11,992,570	62,439	131,964
	<u>56,265,486</u>	<u>48,577,805</u>	<u>15,334,806</u>	<u>13,844,845</u>	<u>15,593,203</u>	<u>13,177,340</u>
<b>Expenses</b>						
Salaries, wages and benefits	15,893,035	15,009,986	3,288,493	2,666,031	4,859,859	3,983,756
Amortization	2,562,249	2,205,086	69,984	74,146	506,801	347,071
Programs	29,765,678	32,360,901	8,744,238	9,046,192	10,071,094	8,144,266
	<u>48,220,962</u>	<u>49,575,973</u>	<u>12,102,715</u>	<u>11,786,369</u>	<u>15,437,754</u>	<u>12,475,093</u>
<b>Surplus (deficit) for the year</b>	<u>8,044,524</u>	<u>(998,168)</u>	<u>3,232,091</u>	<u>2,058,476</u>	<u>155,449</u>	<u>702,247</u>

# Peter Ballantyne Cree Nation

## Notes to Consolidated Financial Statements

March 31, 2014

	Health		Facilities		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
(continued)						
<b>Revenues</b>						
Federal government transfers	14,327,746	14,194,046	324,357	330,372	81,911,625	72,273,034
Provincial government transfers	-	-	-	-	2,637,702	2,090,779
Other	589,826	562,624	1,159,702	1,168,331	19,045,799	17,491,550
	14,917,572	14,756,670	1,484,059	1,498,703	103,595,126	91,855,363
<b>Expenses</b>						
Salaries, wages and benefits	9,085,396	9,069,186	51,361	60,705	33,178,144	30,798,486
Amortization	571,744	619,744	579,720	579,236	4,290,498	3,825,283
Programs	3,288,237	3,547,255	572,041	643,487	52,441,288	53,742,101
	12,945,377	13,236,185	1,203,122	1,283,428	89,909,930	88,365,870
<b>Surplus (deficit) for the year</b>	1,972,195	1,520,485	280,937	215,275	13,685,196	3,489,493