

**Black Lake Denesuline Nation  
Consolidated Financial Statements  
March 31, 2015**

**Black Lake Denesuline Nation**  
**Consolidated Financial Statements**  
*March 31, 2015*

	<i>Page</i>
<b>Management's Responsibility for Financial Reporting.....</b>	<b>1</b>
<b>Independent Auditors' Report.....</b>	<b>2</b>
 <b>Financial Statements</b>	
Consolidated Statement of Financial Position.....	3
Consolidated Statement of Operations .....	4 - 5
Consolidated Statement of Accumulated Surplus.....	6
Consolidated Statement of Change in Net Financial Assets.....	7
Consolidated Statement of Cash Flows.....	8
Notes to Consolidated Financial Statements.....	9 - 29
 Program schedules	
Community Infrastructure.....	30
Education.....	31
Indian Government Support.....	33
Land Management.....	34
Social Services.....	35
Indian Registration.....	36
Health.....	37
CMHC Housing.....	38
Other Band Programs.....	39
Amortization.....	40

---

**Black Lake Denesuline Nation**  
**Management's Responsibility for Financial Reporting**  
*March 31, 2015*

The accompanying consolidated financial statements are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and necessarily include estimates which are based on management's best judgements.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

Chalupiak & Associates, an independent firm of Certified Management Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

Signature on file

Black Lake Denesuline Nation

July 29, 2015

Date

**Chalupiak & Associates**  
**Chartered Professional Accountants**  
**3261 Saskatchewan Drive, Regina, SK S4T 6S4**  
**Phone (306) 359-3711 Fax (306) 569-3030**

---

## **Independent Auditors' Report**

To the Members of  
**Black Lake Denesuline Nation**

We have audited the accompanying consolidated financial statements of Black Lake Denesuline Nation, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations, accumulated surplus, change in net financial assets, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation'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 First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Black Lake Denesuline Nation as at March 31, 2015, and the results of its operations, accumulated surplus, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Black Lake Denesuline Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2015*

	2015	2014
<b>Financial Assets</b>		
Restricted cash - capital projects (Note 3)	\$ 253,327	\$ 202,049
Restricted cash - CMHC (Note 3)	571,157	452,300
Funds held in trust by the federal government (Note 4)	134,223	130,658
Accounts receivable (Note 5)	1,190,847	654,127
Portfolio investments (Note 7)	4,250	4,250
Investments in related business entities (Note 8)	26,410,243	22,826,837
	<u>28,564,047</u>	<u>24,270,221</u>
<b>Liabilities</b>		
Bank indebtedness (Note 3 and 10)	875,659	686,556
Accounts payable (Note 11)	3,685,314	3,306,789
Deferred revenue - unexpended funds (Note 12)	-	80,152
Deferred revenue (Note 13)	552,198	431,146
Current portion of long-term debt (Note 14)	894,484	688,930
Current portion of mortgages (Note 15)	183,201	179,548
Long-term debt (Note 14)	4,584,475	4,779,406
CMHC mortgages (Note 15)	3,152,972	3,338,523
	<u>13,928,303</u>	<u>13,491,050</u>
<b>Net financial assets</b>	<u>14,635,744</u>	<u>10,779,171</u>
<b>Non-financial Assets</b>		
Capital assets (Note 16)	26,504,177	27,154,710
Prepaid expenses (Note 17)	41,232	108,983
	<u>26,545,409</u>	<u>27,263,693</u>
<b>Accumulated Surplus</b> (Note 18)	<u>\$ 41,181,153</u>	<u>\$ 38,042,864</u>

**Approved on behalf of the Black Lake Denesuline Nation:**

Signature on file \_\_\_\_\_, **Chief**

Signature on file \_\_\_\_\_, **Councilor**

The accompanying notes are an integral part of the financial statements

**Black Lake Denesuline Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - grant	\$ 753,421	\$ 753,421	\$ 753,421
AANDC - set	3,411,503	3,670,962	3,566,319
AANDC - fixed	4,937,623	4,923,200	5,791,980
AANDC - flexible	2,083,518	2,083,518	100,000
AANDC - current year receivable (payable)	-	66,075	137,873
AANDC - prior period revenue (recovery)	-	(110,829)	(39,191)
Funds earned & held in trust by federal government	-	3,566	15,923
CMHC - subsidy	-	254,370	257,880
CMHC - RRAP	-	-	47,500
CMHC - rent revenue	-	90,071	73,905
Athabasca Health Authority	990,365	1,025,719	972,678
Health Canada	35,000	35,000	35,000
Prince Albert Grand Council	912,091	967,419	934,578
First Nations Trust	774,947	734,974	774,947
Northern Lights Community Development Corporation	-	57,625	131,149
Black Lake Ventures LP	600,774	650,684	738,071
Black Lake Ventures LP - investment transfer	-	-	1,211,158
Gains (losses) in related business entities (Note 8)	-	3,583,406	2,958,941
Northern Lights School Division	-	42,111	45,674
North West Company - rebates	-	38,807	39,290
Administration	-	158,639	12,967
Rental revenue	52,050	39,790	57,160
Other revenue	225,692	571,631	613,858
Unexpended funds transferred - prior year	16,094	641,887	-
Deferred revenue - prior period	330,809	431,146	111,157
Deferred revenue - current period	-	(552,198)	(431,146)
	15,123,887	20,160,994	18,911,092
<b>Expenses</b>			
Community Infrastructure (Schedule 1)	2,922,543	1,304,568	1,169,748
Education (Schedule 2)	5,137,029	5,671,096	5,006,537
Indian Government Support (Schedule 3)	1,286,160	1,538,836	1,538,416
Land Management (Schedule 4)	162,094	172,591	131,964
Social Services (Schedule 5)	2,913,273	3,195,657	3,891,577
Indian Registration (Schedule 6)	22,500	19,413	24,982
Health (Schedule 7)	1,211,493	1,316,619	1,248,859
CMHC Housing (Schedule 8)	-	171,798	254,791
Other Band Programs (Schedule 9)	1,425,267	1,924,660	2,095,524
Amortization (Schedule 10)	-	1,707,463	1,724,604
	15,080,359	17,022,701	17,087,002
<b>Current surplus before unexpended transfers</b>	43,528	3,138,293	1,824,090

The accompanying notes are an integral part of the financial statements

**Black Lake Denesuline Nation**  
**Consolidated Statement of Operations**  
*For the year ended March 31, 2015*

	2015 Actual	2014 Actual
<hr/>		
<b>Unexpended transfers</b>		
Unexpended funds transferred to deferred revenue	-	(80,152)
<hr/>		
<b>Current surplus</b>	<b>\$ 43,528</b>	<b>\$ 3,138,293</b>
	<b>\$ 1,743,938</b>	

The accompanying notes are an integral part of the financial statements

**Black Lake Denesuline Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2015*

	2015	2014
<b>Surplus at beginning of year</b>	\$ 38,042,864	\$ 36,298,926
<b>Current surplus</b>	3,138,293	1,743,938
<b>Surplus at end of year</b>	\$ 41,181,157	\$ 38,042,864

The accompanying notes are an integral part of the financial statements



**Black Lake Denesuline Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Current surplus</b>	\$ 43,528	\$ 3,138,293	\$ 1,743,938
Acquisition of tangible capital assets	-	(1,056,934)	(259,860)
Amortization of tangible capital assets	-	1,707,463	1,724,604
	-	650,529	1,464,744
Acquisition of prepaid asset	-	(41,232)	(108,983)
Use of prepaid asset	-	108,983	-
	-	67,751	(108,983)
Increase in net financial assets	43,528	3,856,573	3,099,699
Net financial assets at beginning of year	-	10,779,171	7,679,472
<b>Net financial assets at end of year</b>	<b>\$ -</b>	<b>\$ 14,635,744</b>	<b>\$ 10,779,171</b>

The accompanying notes are an integral part of the financial statements

**Black Lake Denesuline Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2015*

	2015	2014
<b>Cash flows from Operating activities</b>		
Current surplus	\$ 3,138,293	\$ 1,743,938
Loss (earnings) from investment in business partnerships	(4,168,016)	(4,450,467)
Loss (earnings) from investment in incorporated businesses	1,580	1,585
Amortization	1,707,463	1,724,604
	679,320	(980,340)
Change in non-cash operating working capital		
Accounts receivable	(536,720)	194,385
Prepaid expenses	67,751	(108,983)
Accounts payable	378,521	(331,701)
Deferred revenue - unexpended funds	(80,152)	80,152
Deferred revenue	121,052	319,989
Restricted cash - capital projects	(51,278)	(90,891)
Restricted cash - CMHC	(118,857)	(228,063)
Funds held in trust by the federal government	(3,565)	(15,923)
	456,072	(1,161,375)
<b>Capital activities</b>		
Purchases of tangible capital assets	(1,056,930)	(259,860)
<b>Financing activities</b>		
Advances of long-term debt	678,758	4,410,000
Repayment of long-term debt	(668,135)	(2,787,529)
Principle repayment of mortgages - CMHC	(181,898)	(180,121)
	(171,275)	1,442,350
<b>Investing activities</b>		
Contributions to business partnerships	(67,654)	(459,289)
Withdrawals from business partnerships	650,684	1,949,229
Investment in incorporated business entities	-	(1,916)
Investment in business partnerships	-	(1,211,158)
	583,030	276,866
<b>Increase (decrease) in cash and cash equivalents</b>	(189,103)	297,981
<b>Cash and cash equivalents, beginning of year</b>	(686,556)	(984,537)
<b>Cash and cash equivalents, end of year</b>	\$ (875,659)	\$ (686,556)

The accompanying notes are an integral part of the financial statements

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**1. Operations**

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

**2. Basis of presentation and significant accounting policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

**(a) Reporting entity**

The Black Lake Denesuline Nation reporting entity includes the Black Lake Denesuline Nation government and all related entities that are controlled by the First Nation.

**(b) 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 government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

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

Organizations accounted for on a modified equity basis include:

- Black Lake Ventures LP
- Black Lake Development Corporation
- Elizabeth Falls Hydro LP
- Elizabeth Falls Hydro Corporation
- Waterfound Development LP

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**2. Basis of presentation and significant accounting policies (continued)**

**(c) Other economic interests**

The First Nation does not share in the control or the profit or loss of the following entities. As a result, the financial statements of the following entities have not been consolidated or proportionately consolidated with the financial statements of the Black Lake First Nation.

The First Nation is a member of the Prince Albert Grand Council (PAGC Management Co. Ltd. or "PAGC"). The PAGC is an organization of twelve Nations. The PAGC is mandated to enhance the services provided to the member Nations.

The First Nation is a member of the Athabasca Child and Family Services Inc. ("ACFS"). ACFS is an organization of three Nations. The mandate of ACFS is to provide child and family protection and prevention services on reserve to the three member Nations.

The First Nation is a member of the Athabasca Enterprise Region Corporation ("AERC"; previously Athabasca Economic Development and Training Corporation). The AERC is an organization of three Nations and four municipalities. The AERC is mandated to maximize economic capacity and achieve business competitiveness for the region.

**(d) Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

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

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial asset is determined by liabilities less financial assets. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

**(f) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

**(g) Trust funds**

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

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

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

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**2. Basis of presentation and significant accounting policies (continued)**

**(h) 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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Black Lake Denesuline Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	25 years Straight line
Vehicles and equipment	5 years Straight line
Infrastructure	40 years Straight line
Housing	25 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Black Lake Denesuline Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

**(i) Use of estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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. Actual results could differ from those estimates.

**2. Basis of presentation and significant accounting policies (continued)**

**(j) Liability for contaminated site**

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

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**(k) Segments**

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

**(l) 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 the 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.

**(m) Expense recognition**

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

**(n) Comparative figures**

Comparative figures have been reclassified, where applicable, to conform to current presentation.

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**3. Cash and cash equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Black Lake Denesuline Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Subsidy Fund. Cash and cash equivalents is comprised of the following:

	2015	2014
Cash (bank indebtedness)		
CMHC operations	\$ 7,632	\$ 51,019
General operations	(671,784)	(397,782)
Social development	(211,507)	(339,793)
	<u>(875,659)</u>	<u>(686,556)</u>
Restricted cash - capital projects		
Capital projects - project manager	226,207	191,082
Sub division	-	10,967
Band Based Capital	27,120	-
	<u>253,327</u>	<u>202,049</u>
Restricted cash - CMHC		
CMHC Operating Reserve	114,196	-
GIC - First Nations Bank - 0.95% - matures May 31, 2015	204,222	202,300
GIC - First Nations Bank - 0.82% - matures February 9, 2015	252,739	250,000
	<u>571,157</u>	<u>452,300</u>
Funds held in trust by the federal government		
Capital funds	2,194	2,194
Revenue funds	132,029	128,464
	<u>134,223</u>	<u>130,658</u>
	<u>\$ 83,048</u>	<u>\$ 98,451</u>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**4. Trust funds held by federal government**

	2015 Revenue	2015 Capital	2015 Total	2014 Total
Surplus, beginning of year	\$ 128,464	\$ 2,193	\$ 130,657	\$ 114,735
Lease revenue	-	-	-	12,149
Interest earnings	3,155	-	3,155	3,362
Other	411	-	411	412
Surplus, end of year	\$ 132,030	\$ 2,193	\$ 134,223	\$ 130,658

**5. Accounts receivable**

	2015	2014
<b>Due from members</b>		
Advances	\$ 166,292	\$ 176,343
Social development clients	9,466	27,818
	175,758	204,161
<b>Due from others</b>		
Athabasca Health Authority	158,339	134,220
Prince Albert Grand Council	109,443	176,874
Other	70,412	52,739
	338,194	363,833
<b>Due from government and other government organizations</b>		
AANDC	749,483	193,721
CMHC subsidy	21,197	21,197
Health Canada	35,000	-
	805,680	214,918
Allowance for doubtful accounts	1,319,632 (128,785)	782,912 (128,785)
<b>Total accounts receivable</b>	<b>\$ 1,190,847</b>	<b>\$ 654,127</b>



**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**6. Accounts receivable - AANDC**

	2015	2014
Lands Environmental Action Fund (LEAF)	\$ -	\$ 8,180
Tuition	136,829	34,037
Band Employee Benefits - Statutory	33,779	34,339
Band Employee Benefits - Non Statutory	2,552	-
Basic Needs	41,919	117,165
Band Support	62,786	-
Indian Registry	1,250	-
Special Needs	24,503	-
Band Based Capital	47,865	-
Portable Classrooms	300,000	-
Environmental	98,000	-
<b>Total</b>	<b>\$ 749,483</b>	<b>\$ 193,721</b>

**7. Portfolio investments**

	2015	2014
CanAlaska Uranium Ltd	\$ 4,250	\$ 4,250

**8. Investment in government business enterprises**

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

	2015	2014
Black Lake Ventures LP - 99.99%	\$ 24,270,804	\$ 21,006,487
Elizabeth Falls Hydro LP & Corporation - 100%	38,542	53,471
Waterfound Development LP & Corporation - 33.33%	1,849,574	1,513,941
Black Lake Development Corporation - 100%	251,323	252,938
	<b>\$ 26,410,243</b>	<b>\$ 22,826,837</b>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**8. Investment in government business enterprises, continued**

	Black Lake Ventures LP	Elizabeth Falls Hydro LP & Corporation	Waterfound Development LP & Corporation	Black Lake Development Corporation
Cash	\$ 43,940	\$ 89,452	\$ 699,759	\$ -
Accounts receivable	-	12,731	200,000	-
Prepaid expenses	4,468	2,400	-	-
Tangible capital assets	2,192,590	-	-	-
Due to (from) related parties	-	-	-	255,398
Investments	24,632,325	-	4,659,993	1,925
<b>Total assets</b>	<b>\$ 26,873,323</b>	<b>\$ 104,583</b>	<b>\$ 5,559,752</b>	<b>\$ 257,323</b>
Accounts payable	\$ 88,683	\$ 16,041	\$ 9,091	\$ 6,000
Deferred revenue	-	50,000	-	-
Long-term debt	2,256,514	-	-	-
Due to (from) related parties	255,397	-	20	-
<b>Total liabilities</b>	<b>2,600,594</b>	<b>66,041</b>	<b>9,111</b>	<b>6,000</b>
<b>Equity</b>	<b>24,272,729</b>	<b>38,542</b>	<b>5,550,641</b>	<b>251,323</b>
<b>Total equity</b>	<b>24,272,729</b>	<b>38,542</b>	<b>5,550,641</b>	<b>251,323</b>
<b>Total liabilities and equity</b>	<b>\$ 26,873,323</b>	<b>\$ 104,583</b>	<b>\$ 5,559,752</b>	<b>\$ 257,323</b>
Revenue	\$ 4,344,888	\$ 625,486	\$ 1,013,994	\$ 385
Expenses	385,878	640,415	6,087	2,000
Debt servicing	111,278	-	-	-
<b>Total expenses</b>	<b>497,156</b>	<b>640,415</b>	<b>6,087</b>	<b>2,000</b>
<b>Net income</b>	<b>\$ 3,847,732</b>	<b>\$ (14,929)</b>	<b>\$ 1,007,907</b>	<b>\$ (1,615)</b>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**9. Transfer of assets from Black Lake Ventures LP**

In the prior year the investment in Denesuline Development Corporation, which was previously held by Black Lake Ventures LP, was transferred to Black Lake Denesuline Nation. The Denesuline Development Corporation ceased operations and the assets, liabilities, and equity were transferred to a new entity, Waterfound Development LP. The net equity transferred to the Black Lake Denesuline Nation was \$1,211,158 and that amount was recorded as a contribution in Waterfound Development LP.

**10. Bank indebtedness**

Bank indebtedness includes:

An operating line with the First Nations Bank authorized to \$550,000 for all accounts of the First Nation and bears interest at prime plus 1%. As of March 31, 2015 the First Nation had drawn on its operating line for \$636,130 (2014 - \$402,969).

**11. Accounts payable**

	2015	2014
<b>Due to members</b>		
Accrued wages	\$ 66,417	\$ 25,662
<b>Due to others</b>		
SunLife - pension	74,953	46,862
Prince Albert Grand Council	815,901	717,661
Woodland - new housing units	783,830	1,416,050
Great West Life - group insurance	16,877	-
Trade payables	1,842,614	1,017,535
	3,534,175	3,198,108
<b>Due to government and other government organizations</b>		
CRA	29,309	69,388
AANDC	55,413	13,631
	84,722	83,019
	\$ 3,685,314	\$ 3,306,789

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**12. Deferred revenue - unexpended funds**

AANDC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to AANDC, deferred to the following year, or transferred to another AANDC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

The 2014 AANDC audit review letter indicated a total of \$641,887 in unexpended funds. We have made an adjustment in the current year recognizing the unexpended funds as reported and have provided the amounts below for information purposes.

	2015	2014
<b>Previously reported</b>		
Research and advocacy	\$ -	\$ 16,094
Post secondary	-	64,058
<b>Expensed in the current year</b>		
Fire protection	-	9,676
Roads and bridges	-	41,519
Sanitation	-	108,910
Solid waste	-	38,918
Classroom instruction	-	77,388
Special education	-	55,350
Comprehensive education	-	86,666
School maintenance	-	86,121
Teacherage maintenance	-	46,253
Service delivery	-	10,934
	<b>\$ -</b>	<b>\$ 641,887</b>

**13. Deferred revenue**

	March 31, 2014	Funding received, 2015	Revenue recognized, 2015	March 31, 2015
<b>Federal government</b>				
Portable classrooms	\$ 90,745	\$ 1,400,000	\$ (1,047,675)	\$ 443,070
Sub-division	100,337	8,791	-	109,128
Raw water intake	10,967	-	(10,967)	-
	202,049	1,408,791	(1,058,642)	552,198
<b>Other</b>				
Renovations	229,097	-	(229,097)	-
	<b>\$ 431,146</b>	<b>\$ 1,408,791</b>	<b>\$ (1,287,739)</b>	<b>\$ 552,198</b>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**14. Long-term debt**

	2015	2014
TD Canada Trust - debt consolidation. Term loan, quarterly blended payments of \$135,053, interest at 5.8%. Secured by a general security agreement, due July 2019.	\$ 2,155,686	\$ 2,563,923
First Nations Bank of Canada - housing project - 10 units. Interim construction loan, approved to a maximum of \$1,275,000. Annual principal payments of \$200,000 and monthly interest payments at 5.35%, secured by BCR, due April 2018.	678,758	-
First Nations Bank of Canada - teacherages. Term loan, monthly blended payments of \$4,402, interest at 6.05%, secured by related capital asset, due April 2016.	532,134	552,279
First Nations Bank of Canada - youth center. Quarterly principal payments of \$16,563, monthly interest payments at 4.85%, secured by related capital asset, due January 2018.	1,180,781	1,247,463
First Nations Bank of Canada - capital debt consolidation and funding of CMHC reserves. Term loan, annual principal payment of \$150,000, monthly principal payments of \$2,778 and monthly interest payments at 4.85%, secured by related capital assets and BCR, due April 2019.	931,600	1,104,671
	5,478,959	5,468,336
Current portion	894,484	688,930
	<u>\$ 4,584,475</u>	<u>\$ 4,779,406</u>

Principal portion of long-term debt due within the next five years:

2016	\$ 894,484
2017	921,057
2018	949,098
2019	857,564
2020 and thereafter	1,856,756
	<u>\$ 5,478,959</u>

	2015	2014
Interest expense for the year on long-term debt	\$ 290,194	\$ 256,330

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**15. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2015	2014
CMHC	1	01/04/2016	2.65%	\$ 2,065	\$ 235,390	\$ 253,759
CMHC	2	01/06/2016	2.63%	4,336	504,468	542,868
CMHC	3	01/06/2018	1.67%	8,992	1,699,659	1,778,710
CMHC	4	01/10/2016	1.80%	5,210	896,656	942,734
					3,336,173	3,518,071
Current portion					183,201	179,548
<b>Total</b>					<b>\$ 3,152,972</b>	<b>\$ 3,338,523</b>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**16. Tangible capital assets**

	Cost	Additions	Accumulated amortization	2015 Net book value
Buildings	\$ 18,009,363	\$ -	\$ 14,011,151	\$ 3,998,212
Equipment	1,567,342	-	1,031,166	536,176
Infrastructure	15,614,637	-	2,063,465	13,551,172
Housing	17,330,597	-	11,384,960	5,945,637
Assets under construction	1,416,050	1,056,930	-	2,472,980
	<u>\$ 53,937,989</u>	<u>\$ 1,056,930</u>	<u>\$ 28,490,742</u>	<u>\$ 26,504,177</u>

	Cost	Additions	Accumulated amortization	2014 Net book value
Buildings	\$ 18,009,363	\$ -	\$ 13,299,101	\$ 4,710,262
Equipment	1,536,292	31,050	972,756	594,586
Infrastructure	15,614,637	-	1,670,662	13,943,975
Housing	17,330,597	-	10,840,760	6,489,837
Assets under construction	1,187,240	228,810	-	1,416,050
	<u>\$ 53,678,129</u>	<u>\$ 259,860</u>	<u>\$ 26,783,279</u>	<u>\$ 27,154,710</u>

**17. Prepaid expenses**

	2015	2014
Insurance	\$ -	\$ 86,970
Insurance - CMHC	15,241	22,013
WTP assessment	25,991	-
	<u>\$ 41,232</u>	<u>\$ 108,983</u>

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**18. Accumulated surplus**

	2015	2014
<b><u>Restricted</u></b>		
Capital assets	\$ 19,844,911	\$ 20,732,226
Investments in related business entities	26,410,243	22,826,837
Funds held in trust	134,223	130,658
CMHC reserves	603,739	483,442
<b><u>Unrestricted</u></b>		
Operating surplus (deficit)	(5,915,931)	(6,130,298)
	<u>\$ 41,077,185</u>	<u>\$ 38,042,865</u>

Capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services.

Investments in related entities represents amounts not readily available for operations as the investments are not likely to be liquidated within the next year.

CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC.

Funds held in trust are monies held by the federal government for use by the First Nation for specific purposes.

Operating surplus (deficit) represents future revenue required for past operational activities.



**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**19. Government Transfers**

	2015		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 9,302,829	\$ 2,083,518	\$ 11,386,347
Health Canada	35,000	-	35,000
Canada Mortgage and Housing Corporation	254,370	-	254,370
<b>Total</b>	9,592,199	2,083,518	11,675,717
<b>Provincial government transfers</b>	-	-	-
<b>Total</b>	\$ 9,592,199	\$ 2,083,518	\$ 11,675,717
	2014		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 10,210,402	\$ 100,000	\$ 10,310,402
Health Canada	35,000	-	35,000
Canada Mortgage and Housing Corporation	305,380	-	305,380
<b>Total</b>	10,550,782	100,000	10,650,782
<b>Provincial government transfers</b>	-	-	-
<b>Total</b>	\$ 10,550,782	\$ 100,000	\$ 10,650,782

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**20. AANDC contributions**

	2015	2014
AANDC revenue per agreement	\$ 11,582,605	\$ 10,351,558
Prior period revenue (recovery)	-	-
Tuition	-	3,922
Governance - P&ID - MAP	-	(4,000)
NCBR	(110,829)	-
Information Management	-	(45,000)
Basic needs	(117,165)	(126,149)
Band employee benefits	(34,339)	(7,802)
Current year receivable (payable)		
Band employee benefits	24,156	34,339
Basic needs	41,919	117,165
Special needs	-	(13,631)
	<u>\$ 11,386,347</u>	<u>\$ 10,310,402</u>

**21. Economic dependence**

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

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**22. Contingent liabilities**

Black Lake Denesuline Nation has the following contingent liabilities:

- a) Black Lake Denesuline Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.
- b) In addition, in the normal course of its operations, Black Lake Denesuline Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Black Lake Denesuline Nation's financial statements.
- c) The Nation is party to a government partnership operating as a non-profit corporation with two other First Nations. The three First Nations as a group have signed loan agreements with the Government of Canada to finance a land claim process. The total of the loans outstanding as of March 31, 2015 is \$15,226,024 (2014 \$14,172,766). A potential settlement agreement has been offered which would indicate a significant portion of the loan balance would be forgiven, with the remaining balance applied against the settlement amount. Due to the uncertainty whether the loans will actually be repayable and that the three First Nations have not agreed to an allocation of the responsibility for the loan nor the potential settlement payout, no amount related to the loans has been reported in these financial statements. It is possible the Nation could be responsible for a portion of the loans. The government partnership has not been reported in these financial statements on a proportionate basis as a result of the First Nations not agreeing to an allocation of the responsibilities for the loan nor the potential settlement payout, and as a result the 'ownership' of the government partnership. Summary financial information from the government partnership's audited financial statements is as follows:

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

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

- d) In February 2015 The First Nation was subject to an income assistance compliance review and as a result of the preliminary findings the First Nation is contingently liable for \$762,940.

**23. Employee benefit obligations**

**Vacation and overtime**

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

**Post-employment benefits**

Black Lake Denesuline Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

**Pension plan**

Black Lake Denesuline Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 7.6% of their basic salary. Black Lake Denesuline Nation contributes a matching portion which is directed to the member's contribution account. Black Lake Denesuline Nation does not have any other obligations with regards to the pension plan as at March 31, 2015.

**24. CMHC reserves and restricted cash**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. On March 31, 2015 the reserve fund was underfunded by \$32,582 (2014 - \$31,142).

**25. Interest rate risk**

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long term debt that has a fixed interest rate.

**26. Fair value**

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

**27. Related party transactions**

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

**28. Subsequent events**

There are no significant subsequent events to report.

**29. Budgeted figures**

Budgeted figures are unaudited and have been provided for comparison purposes and derived from the estimates approved by the Black Lake Denesuline Nation.

**30. Segmented information**

**1) Aboriginal Affairs and Northern Development Canada (AANDC)**

**Claims and Indian Government:**

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

**Community Development:**

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

**Economic Development:**

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

**Education:**

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with AANDC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

**30. Segmented information, continued**

**Indian Government Support:**

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

**Land Management:**

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

**Social Development:**

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

**Indian Registration:**

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

**Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

2) **2 - Health Programs (FNIHB)**

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

3) **Canada Mortgage and Housing Corporation (CMHC)**

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth

4) **Band programs**

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

**Black Lake Denesuline Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**31. Expenses by object**

	2015 Budget	2015 Actual	2014 Actual
Administration	\$ 130,700	\$ 167,885	\$ 86,987
Amortization	-	1,707,463	1,724,604
Assistance - basic needs	2,388,290	2,623,784	2,791,330
Assistance to band members	200,000	358,230	219,070
Bad debts	-	-	17,685
Bank charges and interest	52,400	91,668	61,459
Consultants and contractors	1,956,310	1,769,766	645,811
Cultural programs	231,250	235,816	236,760
Election expenses	15,000	25,260	15,600
Equipment purchases	-	-	31,050
Equipment rental	-	346	2,475
First Nation Trust Expenses	124,947	150,702	1,031,279
First Nation Trust expenses	65,000	61,267	75,706
Freight	38,700	38,584	54,131
Fuel	67,000	93,813	97,128
Honorariums	25,500	47,563	27,324
Insurance	132,500	182,009	162,292
Interest on long-term debt	938,000	355,526	322,587
Post Secondary - student expenses	584,543	474,648	638,238
Post Secondary - administration	118,155	77,757	84,046
Post Secondary - entrance preparation	85,000	85,787	1,356
Prior period unrecorded unexpended funds (Note 12)	-	561,735	-
NCBR program expenses	329,533	317,311	889,947
Other expenses	-	1,700	16,500
PAGC paid expenses directly	-	182,904	226,341
Professional fees	156,000	176,727	104,916
Program delivery - Athabasca Health Authority	-	-	30,000
Program expenses	163,276	183,970	151,361
Rent - office	12,000	12,000	12,000
Repairs and maintenance	668,145	721,114	727,285
Senior and youth programs	35,000	83,678	-
Student tuition	143,080	253,275	108,572
Supplies	536,529	550,587	694,741
Telephone	28,500	65,094	77,948
Training	30,000	39,235	35,109
Travel, meetings, per diems	535,500	653,665	649,315
Utilities	334,440	412,926	386,015
Wages and benefits	4,955,061	5,315,836	4,909,894
Transfer to capital assets	-	(1,056,930)	(259,860)
	<b>\$ 15,080,359</b>	<b>\$ 17,022,701</b>	<b>\$ 17,087,002</b>

**Schedule #1**  
**Black Lake Denesuline Nation**  
**Community Infrastructure**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 484,782	\$ 484,782	\$ 1,170,241
AANDC - set	14,850	-	14,850
AANDC - flexible	2,083,518	2,083,518	100,000
CMHC - RRAP	-	-	47,500
Other revenue	-	588	227,396
Deferred revenue - prior period	330,809	431,146	111,157
Deferred revenue - current period	-	(552,198)	(431,146)
Unexpended funds transferred - prior year	-	199,023	-
	2,913,959	2,646,859	1,239,998
<b>Expenses</b>			
Administration	-	9,246	1,000
Bank charges and interest	-	400	152
Consultants and contractors	1,727,816	1,324,366	306,408
Freight	-	-	326
Fuel	33,750	58,390	59,542
Insurance	64,000	74,676	66,728
Interest on long-term debt	235,000	65,774	11,479
Other expenses	-	-	16,500
Repairs and maintenance	453,515	401,445	553,017
Supplies	-	-	547
Telephone	-	1,850	966
Travel, meetings, per diems	-	7,125	16,764
Utilities	121,640	125,115	171,853
Wages and benefits	286,822	293,111	193,276
Transfer to capital assets	-	(1,056,930)	(228,810)
	2,922,543	1,304,568	1,169,748
<b>Current surplus before transfers</b>	(8,584)	1,342,291	70,250
<b>Transfers</b>			
Transfer - amortization	-	(686,126)	(690,752)
<b>Current surplus (deficit)</b>	\$ (8,584)	\$ 656,165	\$ (620,502)

The accompanying notes are an integral part of the financial statements



**Schedule #2**  
**Black Lake Denesuline Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 4,311,104	\$ 4,296,681	\$ 4,384,388
AANDC - set	237,891	382,289	182,096
AANDC - prior period revenue (recovery)	-	-	3,922
Prince Albert Grand Council	573,034	625,574	578,656
Prince Albert Grand Council - prior period	-	-	(6,084)
Northern Lights School Division	-	-	45,674
Unexpended funds transferred - prior year	-	415,836	-
	5,122,029	5,720,380	5,188,652
<b>Expenses</b>			
Administration	117,875	103,968	1,610
Bank charges and interest	-	-	2,055
Consultants and contractors	20,000	22,040	300
Cultural programs	-	400	51,822
Equipment purchases	-	-	31,050
Equipment rental	-	346	2,475
Freight	35,700	33,207	45,565
Fuel	12,750	13,999	15,306
Insurance	48,500	51,023	28,611
Interest on long-term debt	53,000	32,677	31,619
Student expenses	65,000	61,267	75,706
PAGC paid expenses directly	-	-	8,202
Post Secondary - administration	118,155	77,757	84,046
Post Secondary - entrance preparation	85,000	85,787	1,356
Post Secondary - student expenses	584,543	474,648	638,238
Professional fees	25,000	25,332	-
Program expenses	-	11,980	5,149
Repairs and maintenance	60,630	117,644	53,432
Student tuition	143,080	253,275	108,572
Supplies	252,500	283,719	333,258
Telephone	8,500	8,129	8,799
Training	25,000	28,894	30,839
Travel, meetings, per diems	98,500	162,444	134,738
Utilities	178,000	251,253	179,180
Wages and benefits	3,170,296	3,487,629	3,165,659
Youth - extra curricular activities	35,000	83,678	-
Transfer to capital assets	-	-	(31,050)
	5,137,029	5,671,096	5,006,537
<b>Current surplus before unexpended transfers</b>	(15,000)	49,284	182,115

The accompanying notes are an integral part of the financial statements

**Schedule #2, continued**  
**Black Lake Denesuline Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	-	(64,058)
<b>Current surplus before transfers</b>	(15,000)	49,284	118,057
<b>Transfers</b>			
Transfer - amortization	-	(609,947)	(609,947)
<b>Current deficit</b>	\$ (15,000)	\$ (560,663)	\$ (491,890)

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Black Lake Denesuline Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - grant	\$ 753,421	\$ 753,421	\$ 753,421
AANDC - fixed	40,223	40,223	28,891
AANDC - set	185,937	185,937	100,598
AANDC - current year receivable (payable)	-	24,156	34,339
AANDC - prior period revenue (recovery)	-	-	(49,000)
Prince Albert Grand Council	20,000	23,930	19,885
Other revenue	-	23,316	105,970
	999,581	1,050,983	994,104
<b>Expenses</b>			
Bad debts	-	-	17,685
Bank charges and interest	50,000	88,045	50,597
Consultants and contractors	75,000	181,429	95,183
Election expenses	15,000	25,260	15,600
Fuel	15,000	12,460	16,759
Honorariums	-	10,975	1,770
Professional fees	91,000	98,552	54,080
Supplies	115,000	92,639	138,095
Telephone	-	34,564	48,141
Travel, meetings, per diems	300,000	309,544	343,499
Wages and benefits	625,160	685,368	757,007
	1,286,160	1,538,836	1,538,416
<b>Current deficit before transfers</b>	(286,579)	(487,853)	(544,312)
<b>Transfers</b>			
Transfer - amortization	-	-	(12,515)
<b>Current deficit</b>	\$ (286,579)	\$ (487,853)	\$ (556,827)

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Black Lake Denesuline Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ -	\$ -	\$ 107,160
AANDC - set	146,000	146,000	40,898
Unexpended funds transferred - prior year	16,094	16,094	-
	162,094	162,094	148,058
<b>Expenses</b>			
Consultants and contractors	16,094	26,157	131,964
Repairs and maintenance	146,000	146,434	-
	162,094	172,591	131,964
<b>Current surplus (deficit) before unexpended transfers</b>	-	(10,497)	16,094
<b>Unexpended transfers</b>			
Unexpended funds transferred to deferred revenue	-	-	(16,094)
<b>Current deficit</b>	\$ -	\$ (10,497)	\$ -

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Black Lake Denesuline Nation**  
**Social Services**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 86,448	\$ 86,448	\$ 86,448
AANDC - set	2,826,825	2,956,736	3,227,877
AANDC - current year receivable (payable)	-	41,919	103,534
AANDC - prior period revenue (recovery)	-	(110,829)	5,887
Unexpended funds transferred - prior year	-	10,934	-
	2,913,273	2,985,208	3,423,746
<b>Expenses</b>			
Administration	-	-	12,967
Assistance - basic needs	2,201,189	2,471,660	2,573,979
Assistance - special needs	187,101	152,124	217,351
Bank charges and interest	2,400	2,916	7,176
Consultants and contractors	-	13,698	-
Cultural programs	31,250	42,250	-
NCBR - administration	43,879	42,674	90,870
NCBR - community based support	185,654	174,637	257,201
NCBR - home to work transition	100,000	100,000	541,876
Program delivery - Athabasca Health Authority	-	-	30,000
Program expenses	-	-	16,100
Supplies	9,829	34,548	20,049
Telephone	-	446	398
Travel, meetings, per diems	6,000	12,940	7,900
Wages and benefits	145,971	147,764	115,710
	2,913,273	3,195,657	3,891,577
<b>Current deficit</b>	\$ -	\$ (210,449)	\$ (467,831)

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Black Lake Denesuline Nation**  
**Indian Registration**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 15,066	\$ 15,066	\$ 14,852
<b>Expenses</b>			
Supplies	-	-	1,850
Travel, meetings, per diems	-	-	700
Wages and benefits	22,500	19,413	22,432
	22,500	19,413	24,982
<b>Current deficit</b>	\$ (7,434)	\$ (4,347)	\$ (10,130)

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Black Lake Denesuline Nation**  
**Health**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
Athabasca Health Authority	\$ 990,365	\$ 1,014,119	\$ 972,678
Health Canada	35,000	35,000	35,000
Prince Albert Grand Council	184,475	193,951	215,539
Other revenue	1,208	25,155	26,684
	<b>1,211,048</b>	<b>1,268,225</b>	<b>1,249,901</b>
<b>Expenses</b>			
Administration	12,825	11,310	28,172
Assistance to band members	-	601	6,413
Bank charges and interest	-	-	871
Consultants and contractors	92,400	173,103	104,048
Freight	3,000	5,243	4,943
Fuel	5,500	8,964	5,521
Honorariums	25,500	36,588	25,554
Insurance	20,000	17,561	20,618
Other expenses	-	1,700	-
Professional fees	5,000	12,335	4,863
Program expenses	163,276	171,990	130,112
Rent - office	12,000	12,000	12,000
Repairs and maintenance - other	8,000	19,408	23,261
Supplies - materials	159,200	127,645	181,848
Telephone	20,000	20,105	19,644
Training	5,000	10,341	4,270
Travel, meetings, per diems	61,000	90,411	77,675
Utilities	34,800	34,896	32,982
Wages and benefits	583,992	562,418	566,064
	<b>1,211,493</b>	<b>1,316,619</b>	<b>1,248,859</b>
<b>Current surplus (deficit)</b>	<b>\$ (445)</b>	<b>\$ (48,394)</b>	<b>\$ 1,042</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Black Lake Denesuline Nation**  
**CMHC Housing**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
CMHC - subsidy	\$ -	\$ 254,370	\$ 257,880
CMHC - rent revenue	-	90,071	73,905
	-	344,441	331,785
<b>Expenses</b>			
Administration	-	43,361	43,238
Bank charges and interest	-	307	430
Insurance	-	30,734	44,390
Interest on long-term debt	-	65,332	71,400
Professional fees	-	9,312	9,312
Repairs and maintenance - houses	-	22,752	86,021
	-	171,798	254,791
<b>Current surplus before transfers</b>	-	172,643	76,994
<b>Transfers</b>			
Transfer - amortization	-	(411,390)	(411,390)
<b>Current deficit</b>	\$ -	\$ (238,747)	\$ (334,396)

The accompanying notes are an integral part of the financial statements



**Schedule #9**  
**Black Lake Denesuline Nation**  
**Other Band Programs**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
First Nations Trust	\$ 774,947	\$ 734,974	\$ 774,947
Prince Albert Grand Council	134,582	123,964	126,582
Athabasca Health Authority	-	11,600	-
Funds earned & held in trust by federal government	-	3,566	15,923
Northern Lights Community Development Corporation	-	57,625	131,149
Northern Lights School Division	-	42,111	-
North West Company - rebates	-	38,807	39,290
Black Lake Ventures LP	600,774	650,684	738,071
Black Lake Ventures LP - investment transfer	-	-	1,211,158
Gains (losses) in related business entities	-	3,583,406	2,958,941
Rental revenue	52,050	39,790	57,160
Administration	-	158,639	12,967
Other revenue	224,484	522,572	253,808
	<b>1,786,837</b>	<b>5,967,738</b>	<b>6,319,996</b>
<b>Expenses</b>			
Assistance to band members	200,000	357,629	212,657
Bank charges and interest	-	-	178
Consultants and contractors	25,000	28,973	7,908
Cultural programs	200,000	193,166	184,938
First Nation Trust Expenses	124,947	150,702	1,031,279
Freight	-	134	3,297
Insurance	-	8,015	1,945
Interest on long-term debt	650,000	191,743	208,089
PAGC paid expenses directly	-	182,904	218,139
Prior period unrecorded unexpended funds	-	561,735	-
Professional fees	35,000	31,196	36,661
Repairs and maintenance	-	13,431	11,554
Supplies	-	12,036	19,094
Travel, meetings, per diems	70,000	71,201	68,039
Utilities	-	1,662	2,000
Wages and benefits	120,320	120,133	89,746
	<b>1,425,267</b>	<b>1,924,660</b>	<b>2,095,524</b>
<b>Current surplus</b>	<b>\$ 361,570</b>	<b>\$ 4,043,078</b>	<b>\$ 4,224,472</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Black Lake Denesuline Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses (amortization)</b>			
Band Support Funding	-	-	12,515
Roads & Bridges	-	9,900	22,916
Sanitation	-	261,604	261,604
Water System	-	131,198	131,198
Community Buildings	-	108,157	99,767
Arena	-	78,300	78,300
Housing Renovations	-	96,967	96,967
Bussing	-	42,210	42,210
School Maintenance	-	531,894	531,894
Teacherage Maintenance	-	35,843	35,843
CMHC Section 95	-	253,509	253,509
CMHC Section 10	-	157,881	157,881
	-	1,707,463	1,724,604
<b>Current deficit before transfers</b>	-	(1,707,463)	(1,724,604)
<b>Transfers</b>			
Transfer - programs	-	1,707,463	1,724,604
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements