

**Cote First Nation
Consolidated Financial Statements
March 31, 2014**

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March 31, 2014

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Cote First Nation
Management's Responsibility for Financial Reporting
March 31, 2014

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and the reporting requirements of the funding agreement with Aboriginal Affairs and Northern Development Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

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.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and review the financial statements and the external auditor's report.

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
Cote First Nation

November 26, 2014
Date

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

Independent Auditors' Report

To the Members of
Cote First Nation

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

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 qualified audit opinion.

Basis for Qualified Opinion

The investments reported on the consolidated financial statements include the equity of 1684671 Alberta Ltd. (referred to as Cote Resources Ltd., or CRL) reported on the "modified equity" basis. Audited financial statements were not prepared for the company and we are unable to confirm the reported equity in the amount of \$7,006,041. Refer to Note #10 for further information).

Qualified opinion

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

Cote First Nation
Consolidated Statement of Financial Position
March 31, 2014

	2014	2013
		Restated
Financial Assets		
Cash (Note 4)	\$ 228,604	\$ 3,894,282
Restricted cash - capital projects (Note 4)	614,966	179,245
Restricted cash - CMHC (Note 4)	1,154,469	216,532
Restricted cash - other (Note 4)	1,390,966	853,894
Funds held in trust by federal government (Note 4 and 5)	70,614	98,223
Accounts receivable (Note 6)	458,730	691,141
Due from related entities (Note 8)	986,892	652,780
Deposit on land (Note 9)	100,000	-
<u>Equity in related business entities (Note 10)</u>	<u>7,075,806</u>	<u>5,673,792</u>
	12,081,047	12,259,889
Liabilities		
Accounts payable (Note 12)	1,383,200	853,654
Deferred revenue - unexpended funds (Note 14)	-	20,703
Deferred revenue (Note 15)	1,330,128	3,508,699
Due to Onakawek Trust (30% of annual income) (Note 16)	-	665,388
Current portion of long-term debt (Note 17)	523,318	754,633
Current portion of CMHC mortgages (Note 18)	536,813	501,775
Long-term debt (Note 17)	4,248,010	1,086,896
<u>CMHC mortgages (Note 18)</u>	<u>5,816,311</u>	<u>6,152,581</u>
	13,837,780	13,544,329
Net debt	(1,756,733)	(1,284,440)
Non-financial Assets		
Capital assets (Note 19)	24,720,540	23,129,155
Prepaid expenses (Note 20)	-	25,459
<u>Inventory (Note 21)</u>	<u>-</u>	<u>42,299</u>
	24,720,540	23,196,913
Accumulated Surplus (Note 22)	\$ 22,963,807	\$ 21,912,473

Approved on behalf of the Cote First Nation:

Signature on file _____, **Chief**

Signature on file _____, **Councilor**

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Restated
Revenue			
AANDC - grant	\$ 434,189	\$ 434,189	\$ 434,189
AANDC - fixed	2,553,807	3,763,921	3,829,564
AANDC - set	1,460,567	1,676,411	1,676,367
AANDC - flexible	-	247,000	-
AANDC - current year receivable (payable)	-	59,361	(100,035)
AANDC - prior period revenue (recovery)	(100,007)	-	(53,500)
Ottawa Trust Funds	-	225,390	51,531
Health Canada	823,265	733,732	861,343
CMHC	751,282	795,570	795,209
Housing rental income	25,407	420,110	357,007
First Nations Trust	1,041,375	1,339,340	1,309,735
Yorkton Tribal Council	390,635	431,354	378,829
Cote Legacy Trust	3,525,955	10,534,731	67,561,834
PHC Holdings	-	55,960	12,948
Onakawek Trust annual income	-	1,432,110	604,179
Cote Band Store	4,627	59,543	131,384
Painted Hand Development Corporation	35,456	35,456	-
Gain (loss) on investments in businesses	-	1,346,054	6,386,528
Lease revenue - DM Resorts	-	120,000	120,000
Insurance proceeds	-	90,910	116,867
Interest income	620	24,222	29,702
Other revenue	1,267,480	141,205	133,609
Write off - United Church Loan Payable	-	-	199,000
Administration fees (Note 2.i)	3,345,650	513,222	577,294
Unexpended funds transferred - prior year	-	20,703	-
Deferred revenue - prior	-	3,508,699	2,000,387
Deferred revenue - current	-	(1,330,128)	(3,508,699)
	15,560,308	26,679,065	83,905,272
Expenses			
Claims and Indian Government (Schedule 1)	2,646,000	7,804,044	54,554,240
Community Development (Schedule 2)	1,070,928	2,723,796	2,220,796
Economic Development (Schedule 3)	535,481	1,415,536	1,824,282
Education (Schedule 4)	1,206,065	3,031,482	2,820,842
Indian Government Support (Schedule 5)	1,452,703	2,072,268	1,531,443
Lands Management (Schedule 6)	178,700	236,111	133,027
Social Development (Schedule 7)	1,504,875	1,644,462	1,296,604
Indian Registration (Schedule 8)	48,594	45,700	44,599
Governance and Institutions of Governance (Schedule 9)	-	-	(53,500)
Health Programs (Schedule 10)	935,482	1,043,886	998,216
CMHC Housing (Schedule 11)	1,204,650	629,733	564,584
Band Programs (Schedule 12)	2,782,715	3,529,222	3,789,543
Amortization (Schedule 13)	-	1,451,487	1,425,013
	13,566,193	25,627,727	71,149,689
Current surplus before unexpended funds	1,994,115	1,051,338	12,755,585

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Operations
For the year ended March 31, 2014

	2014 Actual	2013 Actual
Unexpended funds		
Unexpended funds transferred to deferred revenue	- -	(20,703)
Current surplus	\$ 1,994,115	\$ 1,051,338
	\$ 12,734,882	

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2014

	2014	2013
		Restated
Surplus at beginning of year	\$ 21,897,471	\$ 9,162,589
Current surplus	<u>1,051,338</u>	<u>12,734,882</u>
Surplus at end of year	<u>\$ 22,948,809</u>	<u>\$ 21,897,471</u>

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2014

	2014 Budget	2014	2013 Restated
Current surplus	\$ 1,994,115	\$ 1,051,338	\$ 12,734,882
Acquisition of tangible capital assets	-	(3,075,952)	(2,199,937)
Amortization of tangible capital assets	-	1,451,487	1,425,013
Disposal of tangible capital assets (NBV)	-	33,076	84,000
	-	(1,591,389)	(690,924)
Acquisition of prepaid asset	25,459	-	(25,459)
Use of prepaid asset	-	25,459	-
	25,459	25,459	(25,459)
Acquisition of inventory	42,299	-	(42,299)
Use of inventory	-	42,299	33,299
	42,299	42,299	(9,000)
(Decrease) Increase in net financial assets	2,061,873	(472,293)	12,009,499
Net debt at beginning of year	-	(1,284,440)	(13,293,939)
Net debt at end of year	\$ -	\$ (1,756,733)	\$ (1,284,440)

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2014

	2014	2013 Restated
Cash flows from Operating activities		
Current surplus	\$ 1,051,338	\$ 12,734,882
Items not affecting cash		
Amortization	1,451,487	1,425,013
	2,502,825	14,159,895
Change in non-cash operating working capital		
Accounts receivable	232,411	(132,463)
Inventory	42,299	(9,000)
Prepaid expenses	25,459	(25,459)
Deposit on land	(100,000)	-
Accounts payable	529,542	(1,649,149)
Deferred revenue - unexpended funds	(20,703)	(154,107)
Deferred revenue	(2,178,571)	1,683,122
Current portion of CMHC mortgages	35,038	24,693
Long-term debt Health Canada	-	(173,863)
Funds held in trust by federal government	27,609	188,469
Equity in related business entities	(1,402,014)	(6,399,476)
	(306,105)	7,512,662
Capital activities		
Capital asset purchases	(3,075,949)	(2,199,931)
Capital asset disposals (NBV)	33,076	84,000
	(3,042,873)	(2,115,931)
Financing activities		
Due from/to related entities	(334,112)	26,687
Due to Onakawek Trust (30% of annual income)	(665,388)	-
CMHC mortgages	(336,270)	(519,111)
Long term debt - proceeds	5,250,000	-
Long term debt - repayment	(2,320,200)	(716,639)
	1,594,030	(1,209,063)
Increase (decrease) in cash and cash equivalents	(1,754,948)	4,187,668
Cash and cash equivalents, beginning of year	5,143,953	956,285
Cash and cash equivalents, end of year	\$ 3,389,005	\$ 5,143,953
Represented by		
Cash	\$ 228,604	\$ 3,894,282
Restricted cash - capital projects	614,966	179,245
Restricted cash - other	1,390,966	853,894
Restricted cash - CMHC	1,154,469	216,532
	\$ 3,389,005	\$ 5,143,953

The accompanying notes are an integral part of the financial statements

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

1. General

Cote First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include Cote First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. They do not however, include the Onakawek and Legacy Trusts which is governed by a trust agreement. Separate financial statements are prepared for the Onakawek Trust and Legacy Trust. These financial statements only report as revenue funds that have flowed from the Trusts to 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 Cote First Nation reporting entity includes the Cote First 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 Cote First 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 Cote First Nation.

Organizations consolidated in Cote First Nation's financial statements include:
Cote Band Store

Organizations accounted for on a modified equity basis include:
1684674 Alberta Ltd. (Cote Resources Ltd.)
Cote Market Development Inc.
Duck Mountain Resorts Group
PHC Holdings LP
PHC Holdings Ltd.

(c) 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.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

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

(d) 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 financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

(e) 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.

(f) 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 Cote First 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
Equipment and vehicles	10 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 Cote First 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.

(g) 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.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

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

(h) 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.

(i) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

(j) Revenue recognition

Revenue is recorded in the period specified in the funding agreements entered into with government agencies and other organizations. Funds received in advance of making the related expenses are reflected as deferred revenue in the year of receipt and classified as such in the financial statements. Any funding received pursuant to an agreement that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

(k) Expense recognition

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

(l) Comparative figures

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

3. Prior period restatement

The prior year was restated to include the investment in PHC Holdings LP and PHC Holdings Ltd. which resulted in a net increase in the investments and the accumulated surplus in the amount of \$260,222.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

4. Cash and cash equivalents

(I) The CMHC agreements require that funds to cover future repairs to CMHC houses be maintained in a separate bank account. Under the terms of the agreement with Canada Mortgage and Housing Corporation, Cote First 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.

(II) Capital projects are managed by a project manager. The bank accounts are maintained by the project manager for use specifically for these projects.

Cash and cash equivalents is comprised of the following:

	2014	2013
Cash		
Operating	\$ 228,604	<u>\$ 3,894,282</u>
Restricted cash - capital projects		
Water recharge project	614,966	179,245
Restricted cash - CMHC		
Replacement reserves	1,154,469	216,532
Restricted cash - other		
Funds held in trust - Maurice Law	-	8,537
Cote Market Development Inc. - GIC	602,007	653,190
Economic Development	1,380	181,285
Other	10,179	10,882
BMO - loan commitments	777,400	-
	1,390,966	853,894
Funds held in trust by federal government		
Capital	29,076	29,076
Revenue	41,538	69,147
	70,614	98,223
Total cash and cash equivalents	<u>\$ 3,459,619</u>	<u>\$ 5,242,176</u>

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

5. Trust funds held by federal government

	2014 Revenue	2014 Capital	2014 Total	2013 Total
Surplus, beginning of year	\$ 69,147	\$ 29,076	\$ 98,223	\$ 286,693
Withdrawals	(253,000)	-	(253,000)	(240,000)
Interest revenue	3,712	-	3,712	3,008
<u>Lease revenue</u>	<u>221,679</u>	<u>-</u>	<u>221,679</u>	<u>48,522</u>
 Surplus, end of year	 \$ 41,538	 \$ 29,076	 \$ 70,614	 \$ 98,223

6. Accounts receivable

	2014	2013
Due from members		
Cote band store	\$ -	\$ 28,026
 Due from others		
Yorkton Tribal Council	36,309	64,134
Other receivables	8,341	-
Cote Legacy Trust	-	421,959
	44,650	486,093
 Due from government and other government organizations		
AANDC (Note 7)	144,488	21,954
Health Canada	163,564	91,665
CMHC	85,161	63,403
CRA - GST	20,867	-
	414,080	177,022
 Total accounts receivable	 \$ 458,730	 \$ 691,141

7. AANDC - accounts receivable

	2014	2013
ECIP	\$ -	\$ 16,954
Business Development	-	5,000
Band Employee Benefits	465	-
Basic Needs	70,006	-
Fire Protection	74,017	-
	\$ 144,488	\$ 21,954

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

8. Due from related entities

	2014	2013
Duck Mountain Resorts LP	\$ 761,637	\$ 446,768
<u>Cote Market Development Inc.</u>	<u>225,255</u>	<u>206,012</u>
	\$ 986,892	\$ 652,780

9. Deposit on Land

In the current year the First Nation purchased a parcel of land from a band member in the amount of \$100,000. As of March 31, 2014 the land title had not yet transferred to the First Nation.

10. Equity in related entities

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.

	2014	2013
1684674 Alberta Ltd. (Cote Resources Ltd) (100%)	\$ 7,006,141	\$ 6,303,664
Cote Market Development Inc. (100%)	455,851	(173,265)
Duck Mountain Resorts Group (100%)	(702,368)	(716,829)
PHC Holdings LP (14%)	311,065	255,094
<u>PHC Holdings Ltd. (14%)</u>	<u>5,117</u>	<u>5,128</u>
	\$ 7,075,806	\$ 5,673,792

Cote First Nation
Notes to Consolidated Financial Statements
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10. Equity in related entities, continued

	1684674 Alberta Ltd. March 31, 2014	Cote Market Development March 31, 2014	Mountain Resorts Group December 31, 2013	Duck PHC Holdings LP (14%) December 31, 2013	PHC Holdings Ltd. (14%) December 31, 2013
Cash	\$ 198,635	\$ -	\$ 14,031	\$ 441,004	\$ -
GICs	-	-	-	539,560	-
Accounts receivable	53,694	46,719	23,250	19,589	-
Prepaid	1,098,553	3,500	-	-	-
Inventory	-	223,732	10,922	-	-
Investment related entity	-	-	-	-	39,659
Tangible capital assets	-	565,064	116,293	10,292,918	-
Other assets	<u>5,700,821</u>	-	200	2,915	-
Total assets	\$ 7,051,703	\$ 839,015	\$ 164,696	\$ 11,295,986	\$ 39,659
Bank indebtedness	\$ -	\$ 52,674	\$ -	\$ -	\$ -
Accounts payable	45,562	105,235	149,761	81,815	824
Long-term debt	-	-	17,966	8,997,057	-
Other liabilities	-	225,255	699,337	-	2,915
Total liabilities	45,562	383,164	867,064	9,078,872	3,739
Share capital	100	100	-	-	100
Equity	<u>7,006,041</u>	<u>455,751</u>	<u>(702,368)</u>	<u>2,217,114</u>	<u>35,820</u>
Total equity	7,006,141	455,851	(702,368)	2,217,114	35,920
Total liabilities and equity	\$ 7,051,703	\$ 839,015	\$ 164,696	\$ 11,295,986	\$ 39,659

11. Investment in 1684671 Alberta Ltd. (Cote Resources Ltd.)

Cote First Nation's investments include the equity of \$7,006,041 reported on the unaudited financial statements of 1684671 Alberta Ltd (referred to as Cote Resources Ltd., or CRL). CRL purchased several assets (oil leases and oil reserves) and entered into an agreement with Quattro Exploration and Production (Quattro) to act as operator of these assets; Quattro failed to do so resulting in litigation procedures in 2013 that are still on-going. In 2014 CRL assembled a management, technical and operations team to operate and capitalize the drilling programs for these assets and are currently negotiating a partnership agreement with another First Nation to provide capital for the drilling program. Management anticipates that drilling will commence sometime in 2014.

The financial statements for CRL were prepared without audit. The assets held by CRL did not generate any revenue in 2013 or 2014, however management, based on outside appraisals, believes that once drilling commences there will be sufficient revenue to provide a reasonable return on investment.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

12. Accounts payable

	2014	2013
Due to members		
Wages and benefits	\$ 209,202	\$ 78,712
Due to others		
Group insurance	4,858	1,000
Pension plan	20,319	-
Maurice Law	-	46,231
General suppliers	993,887	513,648
Cote band store payables	-	100,485
	<hr/> 1,019,064	<hr/> 661,364
Due to government and other government organizations		
AANDC (Note 13)	11,110	100,035
Health Canada	109,900	-
CRA - source deductions	33,924	13,543
	<hr/> 154,934	<hr/> 113,578
Total accounts payable	<hr/> \$ 1,383,200	<hr/> \$ 853,654

13. AANDC payable

	2014	2013
Special Needs	\$ 933	\$ 1,358
Child Tax Benefit (NCB)	10,177	-
Band Employee Benefits	-	1,235
Basic Needs	-	96,412
Home Care	-	1,030
	<hr/> \$ 11,110	<hr/> \$ 100,035

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

14. 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.

	2014	2013
Post Secondary Lands Management	\$ -	\$ 18,328
Total	\$ -	\$ 20,703

15. Deferred revenue

	March 31, 2013	Funding received, 2014	Revenue recognized, 2014	March 31, 2014
Federal government				
Water Recharge	\$ 179,245	\$ 197,000	\$ (113,912)	\$ 262,333
Fire protection - capital	-	50,000	-	50,000
	179,245	247,000	(113,912)	312,333
Other				
Subdivision Expansion	127,099	-	-	127,099
Per capita payout	3,202,355	1,303,697	(4,167,989)	338,063
Other capital projects	-	3,000,000	(2,447,367)	552,633
	3,329,454	4,303,697	(6,615,356)	1,017,795
	\$ 3,508,699	\$ 4,550,697	\$ (6,729,268)	\$ 1,330,128

16. Cote Onakawek Trust

The Cote First Nation Revenue Bylaw passed January 28, 2009 required that 30% of the annual income earned in the Onakawek Trust be repaid to the Trust. The balance owing to the Trust on March 31, 2013 was \$665,388. This bylaw was revised on March 1, 2012 and this requirement was removed from the bylaw.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

17. Long-term debt

	2014	2013
BMO - Consolidation loan Term loan - bearing interest at prime plus 2% monthly payments, principle & interest of \$62,500, general security agreement secured by Cote Onakawek Trust and lease revenue from One Earth Farms, maturing June 2020, secured by BCR.	\$ 4,771,328	\$ -
Peace Hills Trust #6 - Equity portion - CMHC phases 19 & 20 Term loan - bearing interest at 7.35% annual payments of \$109,750, maturing September 1, 2013, secured by assignment of Band based capital.	- -	94,251
Peace Hills Trust #20 - Duck Mountain Lodge renovations Term loan - bearing interest at 6.50% annual payments, principle and interest of \$120,000 maturing October 1, 2014, secured by BCR	- -	211,357
Peace Hills Trust #22 - Housing and renovation payables loan Term loan - bearing interest at 7.5% quarterly payments, principle and interest of \$71,500 general security agreement secured by Cote Onakawek Trust maturing January 1, 2015, secured by BCR.	- -	881,215
Peace Hills Trust #23 - Ratify Cote Legacy Trust Term loan - bearing interest at 7.0% quarterly payments, principle and interest of \$23,200 general security agreement secured by Cote Onakawek Trust maturing March 31, 2015, secured by BCR.	- -	171,593
Peace Hills Trust #24 - Assistance for Ec. Dev. Entities Term loan - bearing interest at 7.0% quarterly payments, principle and interest of \$65,000 general security agreement secured by Cote Onakawek Trust maturing January 1, 2015, secured by BCR.	- -	<u>483,113</u>
<u>Current portion</u>	<u>4,771,328</u>	<u>1,841,529</u>
	<u>523,318</u>	<u>754,633</u>
	<u><u>\$ 4,248,010</u></u>	<u><u>\$ 1,086,896</u></u>

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

17. Long-term debt, continued

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

2015	\$ 523,318
2016	550,092
2017	578,326
2018	607,820
2019 and thereafter	2,511,772
	\$ 4,771,328

	2014	2013
Interest expense for the year on long-term debt	\$ 222,455	\$ 217,604

18. CMHC Mortgages

The mortgages on CMHC Section 95 houses are secured by government guarantees and are repayable with accrued interest as follows:

	Phase number	Maturity date	Interest rate	Monthly payment	2014	2013
CMHC	1	01/07/2015	11.75	\$ 3,913	\$ 58,421	\$ 96,698
CMHC	2	01/07/2016	13.00	2,588	66,976	88,378
CMHC	3	01/06/2016	14.00	802	20,000	26,525
CMHC	4	01/02/2017	21.50	10,593	38,867	83,950
PHT	7	01/08/2015	5.79	3,387	55,527	92,050
PHT	11	01/02/2017	5.14	1,250	40,836	53,475
CMHC	12	01/12/2014	2.57	2,130	237,284	256,564
CMHC	13	01/08/2015	2.69	1,708	196,856	211,914
CMHC	14	01/09/2017	1.71	1,437	208,116	221,713
CMHC	15	01/09/2014	2.61	685	104,522	109,966
CMHC	16	01/04/2019	1.92	2,084	324,896	343,709
CMHC	17	01/06/2017	1.65	2,124	301,957	322,332
PHT	18	01/08/2018	2.99	11,246	1,994,029	2,067,259
CMHC	19	01/12/2015	2.56	8,302	1,355,408	1,376,069
CMHC	20	01/12/2015	2.56	8,302	1,349,429	1,303,754
					6,353,124	6,654,356
Current portion					536,813	501,775
					\$ 5,816,311	\$ 6,152,581

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

19. Tangible capital assets

	Cost	Additions	Disposals	Accumulated amortization	2014 Net book value
Land	\$ 2,093,963	\$ 215,750	\$ -	\$ -	\$ 2,309,713
Buildings	9,369,315	-	-	4,617,632	4,751,683
Equipment and vehicles	3,192,480	143,411	179,052	1,994,363	1,162,476
Infrastructure	6,696,394	2,561,279	-	1,313,404	7,944,269
Band houses	4,062,955	-	-	3,251,133	811,822
CMHC housing	14,360,169	155,509	-	6,775,101	7,740,576
Total	\$ 39,775,276	\$ 3,075,949	\$ 179,052	\$ 17,951,633	\$ 24,720,539

	Cost	Additions	Disposals	Accumulated amortization	2013 Net book value
Land	\$ 607,463	\$ 1,486,500	\$ -	\$ -	\$ 2,093,963
Buildings	9,369,315	-	-	4,256,747	5,112,568
Equipment and vehicles	2,969,680	342,800	120,000	1,795,740	1,396,739
Infrastructure	6,325,763	370,631	-	1,145,258	5,551,136
Band houses	4,062,955	-	-	3,181,243	881,712
CMHC housing	14,360,169	-	-	6,267,133	8,093,036
Total	\$ 37,695,345	\$ 2,199,931	\$ 120,000	\$ 16,646,121	\$ 23,129,154

20. Prepaid expenses

	2014	2013
<u>Insurance</u>	\$ -	\$ 25,459

21. Inventory

	2014	2013
<u>Cote band store</u>	\$ -	\$ 42,299

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

22. Accumulated surplus

	2014	2013
Capital assets	\$ 18,367,416	\$ 15,499,333
CMHC reserves	1,214,533	1,138,088
Funds held in trust by federal government	70,614	98,223
Equity in related entities	7,075,706	5,673,792
Operating	(3,764,462)	(496,963)
	<hr/>	<hr/>
	\$ 22,963,807	\$ 21,912,473
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23. Current year summary of surplus (deficit) by segment

	Revenue	Expenditures	Transfers	Surplus (deficit)
Claims and Indian Government	\$ 13,399,023	\$ 7,804,044	\$ (3,000,000)	\$ 2,594,979
Community Development	979,067	2,723,798	2,056,481	311,750
Economic Development	1,725,658	1,415,538	-	310,120
Education	2,761,246	3,031,482	-	(270,236)
Indian Government Support	2,069,972	2,072,267	-	(2,295)
Lands Management	125,641	236,111	-	(110,470)
Social Development	1,559,855	1,644,462	-	(84,607)
Indian Registration	26,382	45,700	-	(19,318)
Health Programs	834,442	1,043,883	-	(209,441)
CMHC Housing	1,167,083	629,733	(507,968)	29,382
Band Programs	2,030,694	3,529,223	-	(1,498,529)
Amortization	-	1,451,487	1,451,487	-
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	\$ 26,679,063	\$ 25,627,728	\$ -	\$ 1,051,335
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Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

24. AANDC reconciliation

The following is a reconciliation of the funds received from AANDC:

	2014	2013
Balance per AANDC confirmation	\$ 6,121,521	\$136,651,481
Payable (receivable) - previous year		
Basic Needs	-	(11,000)
Capacity Development	-	(53,500)
Receivable (payable) - current year		
Band Employee Benefits	465	(1,235)
Basic Needs	70,006	(96,412)
Special Needs	(933)	(1,358)
NCB	(10,177)	-
Home Care	-	(1,030)
Specific claims	-	130,700,361)
<hr/>		
Balance per financial statements	<u>\$ 6,180,882</u>	<u>\$ 5,786,585</u>

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

25. Government Transfers

	2014		
	Operating	Capital	Total
Federal government transfers			
Aboriginal Affairs and Northern Development Canada	\$ 5,933,882	\$ 247,000	\$ 6,180,882
Health Canada	733,732	-	733,732
Canada Mortgage and Housing Corporation	795,570	-	795,570
Total	7,463,184	247,000	7,710,184
Provincial government transfers			
	\$ 7,463,184	\$ 247,000	\$ 7,710,184
	2013		
	Operating	Capital	Total
Federal government transfers			
Aboriginal Affairs and Northern Development Canada	\$ 5,786,585	\$ -	\$ 5,786,585
Health Canada	861,343	-	861,343
Canada Mortgage and Housing Corporation	795,209	-	795,209
Total	7,443,137	-	7,443,137
Provincial government transfers			
	\$ 7,443,137	\$ -	\$ 7,443,137

26. CMHC housing restricted funds

It is a requirement of the CMHC operating agreements that subsidy surplus, operating and replacement reserves be established and monies be set aside in separate bank accounts. On March 31, 2014 the reserve accounts were under-funded by \$60,064. The amount required to be set aside was \$1,214,533 and the amount in the reserve bank account was \$1,154,469. (The reserve amount of \$1,214,533 is not reported separately on these financial statements, but is included in equity).

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

27. Trusts under administration

Cote First Nation acts as a trustee for band members, holding assets and administering them on their behalf. These assets held in trust are not included on the statement of financial position as assets of Cote First Nation. Amounts held in trust at the year-end are the following:

	2014	2013
Cote Legacy Trust	\$ 63,932,409	\$ 58,988,176
Cote Onakawek Trust	9,619,921	8,720,037
Total	\$ 73,552,330	\$ 67,708,213

The Trusts were established as part of a Settlement Agreement between the Cote First Nation and Canada in connection with the settlement of certain claims arising from the loss of use of lands, which were originally set aside for the benefit of the First Nation under Treaty No. 4. The Trusts were intended as a means of ensuring the long term economic security of the First Nation.

BMO Harris is the appointed Trustee. All entitlement monies to be paid to the trust are administered by the Trustee under the terms and conditions of the Trust Agreement.

28. Health Canada - Moveable Asset Reserve

Cote First Nation operates under a set agreement and therefore has no moveable asset reserve reporting requirement.

29. 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

Cote First Nation does not provide extended health, dental and life insurance benefits to retirees and their surviving spouses and therefore has no obligations with regards to post employment benefits.

Pension plan

Cote First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 3% of their salary and Cote First Nation contributes a matching portion. Cote First Nation contributed \$20,853 (2013 - \$21,300) during the year for retirement benefits. Cote First Nation does not have any other obligations with regards to the pension plan as at March 31, 2014.

30. Contractual Obligations

The nature of Cote First Nation's activities can result in some multi-year contracts whereby it will be obligated to make future payments when the goods or services are received.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

31. Economic dependence

Cote First Nation receives a significant portion of its revenue pursuant to a funding arrangement with Aboriginal Affairs and Northern Development Canada and Health Canada.

32. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Cote First Nation.

33. Contingent liabilities

Cote First 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.

In addition, in the normal course of its operations, Cote First 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 Cote First Nation's financial statements.

34. 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.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

34. Segmented information, continued

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.

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.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

34. Segmented information, continued

Governance and Institutions of Government:

Costs associated with Governance and Institution of Government activities.

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.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

35. Expenses by object

	2014 Budget	2014 Actual	2013 Actual
Administration	\$ 91,794	\$ 148,873	\$ 229,306
Advertising, promotions, sponsorships	203,962	363,203	212,748
Amortization	-	1,451,487	1,425,013
Assistance - basic needs	969,885	1,044,878	668,588
Assistance - special needs	80,325	95,471	115,047
Assistance to band members	342,776	1,001,867	706,656
Business development	-	-	7,962,980
Business initiatives	-	699,912	1,090,530
Capital purchases	26,740	43,497	45,093
Community expenses	1,010,010	784,272	1,721,791
Consultants and contractors	808,406	3,408,839	1,138,733
Cote Band Store	150,704	201,937	354,267
Cultural programs	153,517	198,742	115,674
Education	1,200	7,279	21,386
Equipment purchases	2,400	20,153	311,065
Fuel	58,980	69,449	55,747
Graduation, awards, prizes	16,500	40,421	29,928
Grocery and meal preparation	1,100	1,100	-
Honorariums	509,909	413,786	411,306
Insurance	134,780	264,128	234,048
Interest and bank charges	39,931	62,601	23,427
Janitorial services	11,500	20,972	44,128
Land	-	100,000	1,486,500
Land purchase transfer to balance sheet	-	(100,000)	(1,486,500)
Lease payments	65,796	85,687	93,843
Legacy Trust loan payments - facility #2	-	3,525,413	-
License fees	18,172	22,152	21,147
Long term debt - payments (principle & interest)	808,154	3,468,465	1,689,679
Long term debt - principle repayment	109,750	(3,121,606)	(1,204,836)
Loss (gain) on disposal of capital assets	-	-	59,000
Membership dues	500	263	500
Municipal fire services	-	53,810	41,016
Other expenses	(15,300)	65,465	108,064
Pasture operations	-	-	12,051
Per capita distributions	2,644,500	666,475	46,407,520
Per capita distributions - Pelly Haylands	3,500	9,500	4,000
Per capita distributions - repaid to Trust	-	3,500,000	-
Professional fees	99,000	221,723	244,845
Program expenses	215,651	274,244	198,362
Recreational activities	97,456	90,679	31,365
Registration fees	-	3,150	1,974
Rent	-	-	3,000
Repairs and maintenance	570,156	1,328,470	752,988
Replacement reserve allocation	57,695	57,695	-
Security	6,570	4,100	4,750

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2014

35. Expenses by object, continued

	2014 Budget	2014 Actual	2013 Actual
Staffing costs	9,777	46,450	14,374
Student allowance	151,100	933,972	858,464
Student tuition	-	355,060	366,119
Summer/winter games	25,000	29,430	42,514
Supplies	293,799	541,462	473,498
Telephone and internet	113,285	106,012	60,721
Training	170,043	171,850	137,820
Transportation	-	4,822	-
Travel - medical transportation	40,096	74,399	68,113
Travel, meetings, per diems	518,129	1,451,511	1,293,790
Utilities	221,495	314,374	286,354
Vehicle	-	48,104	-
Wages and benefits	2,682,483	3,674,859	3,134,528
Write off of old accounts payable	-	(62,175)	(322,851)
Youth	44,967	43,736	27,947
Transfer to capital assets	-	(2,704,691)	(678,431)
	<hr/>	<hr/>	<hr/>
	\$ 13,566,193	\$ 25,627,727	\$ 71,149,689

Schedule #1
Cote First Nation
Claims and Indian Government
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
Cote Legacy Trust	\$ 3,525,955	\$ 10,534,731	\$ 67,561,834
Deferred revenue - prior	-	3,202,355	-
Deferred revenue - current	-	(338,063)	(3,202,355)
	3,525,955	13,399,023	64,359,479
Expenses			
Business development	-	-	7,962,980
Interest and bank charges	-	4,031	7,609
Land	-	100,000	1,486,500
Land purchase transfer to balance sheet	-	(100,000)	(1,486,500)
Legacy Trust loan payments - facility #2	-	3,525,413	-
Legal	-	105,122	153,022
Long term debt - loan payments	-	174,596	92,800
Long term debt - principle repayment	-	(171,593)	(77,383)
Per capita distributions	2,644,500	666,475	46,407,520
Per capita distributions - repaid to Trust	-	3,500,000	-
Repairs and maintenance	1,500	-	-
Travel, meetings, per diems	-	-	7,692
	2,646,000	7,804,044	54,554,240
Current surplus before transfers	879,955	5,594,979	9,805,239
Transfers			
Transfers - Community Development	-	(3,000,000)	(1,700,000)
Transfers - CMHC Housing	-	-	(100,000)
Transfers - Indian Government Support	-	-	(705,000)
Transfers - Economic Development	-	-	(250,000)
Transfers - Band Programs	-	-	(600,000)
Current surplus	\$ -	\$ 2,594,979	\$ 6,450,239

The accompanying notes are an integral part of the financial statements

Schedule #2
Cote First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ 1,039,177	\$ 1,020,177	\$ 1,047,731
AANDC - fixed - municipal services	-	15,000	15,000
AANDC - set	27,000	27,000	177,000
AANDC - flexible	-	247,000	-
CMHC - RRAP	-	45,653	31,761
Housing rental income	-	8,340	83,132
Yorkton Tribal Council	-	5,694	5,694
Insurance proceeds	-	90,910	116,867
Write off - United Church Loan Payable	-	-	199,000
Administration fees	250,000	204,461	5,850
Other revenue	10,620	553	141
Deferred revenue - prior	-	306,344	526,975
Deferred revenue - current	-	(992,065)	(306,344)
	1,326,797	979,067	1,902,807
Expenses			
Administration	47,000	26,075	62,250
Assistance - special needs	-	775	-
Assistance to band members	-	1,067	-
Community gardens	-	500	-
Community gatherings	-	4,610	-
Consultants and contractors	75,079	2,737,810	537,367
Equipment operating costs	-	(910)	-
Equipment purchases	-	13,565	300,000
Fuel	26,744	16,551	14,747
Insurance	24,300	134,827	85,572
Interest and bank charges	-	952	1,070
Janitorial services	11,500	20,972	36,856
Lease payments	29,600	33,685	34,844
License fees	5,338	7,450	6,704
Long term debt - loan payments	-	993,269	152,735
Long term debt - principle repayment	109,750	(975,466)	(99,858)
Loss (gain) on disposal of capital assets	-	-	59,000
Program expenses	-	2,150	-
Repairs and maintenance	170,701	881,827	484,557
Repairs and maintenance - CBS	-	53,810	41,016
Security	4,770	2,677	3,850
Supplies	156,209	254,494	280,845
Telephone and internet	13,200	9,948	8,091
Training	4,500	4,367	6,452
Travel, meetings, per diems	25,217	132,117	113,545
Utilities	73,500	126,168	95,371
Vehicles	-	14,000	-
Wages and benefits	293,520	810,787	666,413

The accompanying notes are an integral part of the financial statements

Schedule #2, continued
Cote First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Transfer to capital assets	-	(2,584,279)	(670,631)
	<u>1,070,928</u>	<u>2,723,798</u>	<u>2,220,796</u>
Current deficit before transfers	255,869	(1,744,731)	(317,989)
Transfers			
Transfer - Band Programs	-	-	30,500
Transfer - Claims and Indian Government	-	3,000,000	1,700,000
Transfer - Amortization	-	(943,519)	(886,914)
Current surplus	\$ -	\$ 311,750	\$ 525,597

The accompanying notes are an integral part of the financial statements

Schedule #3
Cote First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ -	\$ -	\$ 58,472
Yorkton Tribal Council	144,100	144,100	144,100
Cote Band Store sales	-	1,244,036	2,890,835
Cote Band Store - cost of sales	(3,773)	(1,529,700)	(3,302,922)
Rebates	-	345,208	540,214
Gain (loss) on investments in businesses	-	-	6,386,528
Gain (loss) on investment - 1684671 Alberta Ltd	-	702,477	-
Gain (loss) on investment - Duck Mountain Resorts	-	14,461	-
Gain (loss) on investment - Cote Market	-	629,116	-
Lease revenue - DM Resorts	-	120,000	120,000
PHC Holdings	-	55,960	12,948
Other revenue	8,400	-	3,257
Deferred revenue - prior	-	-	522,064
	148,727	1,725,658	7,375,496
Expenses			
Administration	6,850	6,850	10,275
Business initiatives	-	699,912	1,090,530
Consultants and contractors	270,000	318,668	145,293
Cote Band Store	150,704	201,937	354,267
Equipment operating costs	1,899	1,899	37,293
Fuel	14,270	13,198	19,492
Honorariums	-	200	-
Insurance	7,294	16,331	6,951
Interest and bank charges	-	-	368
License fees	7,495	8,286	7,278
Long term debt - loan payments	-	706,963	120,000
Long term debt - principle repayment	-	(694,470)	(103,332)
Office equipment	-	4,000	-
Other expenses	(40,000)	-	-
Pasture operations	-	-	12,051
Repairs and maintenance	17,000	20,681	12,142
Supplies	-	-	150
Telephone and internet	-	170	-
Travel, meetings, per diems	4,349	13,545	446
Utilities	250	250	-
Vehicles	-	-	7,800
Wages and benefits	95,370	129,118	111,078
Transfer to capital assets	-	(32,000)	(7,800)
	535,481	1,415,538	1,824,282
Current surplus before transfers	(386,754)	310,120	5,551,214

The accompanying notes are an integral part of the financial statements

Schedule #3, continued
Cote First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Transfers			
Transfer - Claims and Indian Government	-	-	740,000
Amortization	-	-	<u>(36,892)</u>
Current surplus	\$	-	\$ 310,120
			\$ 6,254,322

The accompanying notes are an integral part of the financial statements

Schedule #4
Cote First Nation
Education
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ 1,266,969	\$ 2,510,354	\$ 2,468,056
AANDC - set	-	194,608	212,134
Administration fees	-	37,381	277
Other revenue	-	575	-
Deferred revenue - prior	-	-	147,636
Unexpended funds transferred - prior year	-	18,328	-
	1,266,969	2,761,246	2,828,103
Expenses			
Administration	1,729	2,529	1,200
Advertising, promotions, sponsorships	-	1,864	1,250
Assistance - special needs	-	1,650	-
Assistance to band members	-	77,696	26,938
Consultants and contractors	207,798	136,665	215,721
Education	1,200	7,279	21,386
Fuel	-	-	308
Graduation, awards, prizes	-	22,671	19,578
Honorariums	-	30,973	20,835
Interest and bank charges	-	290	758
Other expenses	-	15,360	55,620
Program expenses	-	23,099	7,037
Registration fees	-	3,150	1,974
Repairs and maintenance	-	250	-
Student allowance	-	777,480	752,491
Student tuition	-	355,060	366,119
Supplies	-	130,344	92,380
Telephone and internet	-	2,779	2,150
Training	-	9,793	17,346
Transportation	-	4,822	-
Travel, meetings, per diems	10,200	231,099	111,193
Vehicle	-	48,104	-
Wages and benefits	985,138	1,196,629	1,106,557
Transfer to capital assets	-	(48,104)	-
	1,206,065	3,031,482	2,820,841
Current surplus (deficit) before unexpended funds	60,904	(270,236)	7,262
Unexpended funds			
Unexpended funds transferred to deferred revenue	-	-	(18,328)
Current deficit	\$ -	\$ (270,236)	\$ (11,066)

The accompanying notes are an integral part of the financial statements

Schedule #5
Cote First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - grant	\$ 434,189	\$ 434,189	\$ 434,189
AANDC - fixed	30,621	1,350	16,317
AANDC - set	-	21,236	22,471
AANDC - current year receivable (payable)	-	465	(1,235)
Onakawek Trust income	-	1,432,110	286,985
Yorkton Tribal Council	25,000	27,000	-
Interest income	620	24,222	29,702
Other revenue	212,825	25,956	37,003
Administration fees	2,554,968	103,444	404,677
	3,258,223	2,069,972	1,230,109
Expenses			
Advertising, promotions, sponsorships	-	4,325	-
Consultants and contractors	73,600	31,516	165,329
Equipment purchases	2,400	5,044	11,065
Honorariums	427,400	379,889	390,471
Insurance	-	-	8,199
Interest and bank charges	29,600	44,367	575
Lease payments	32,400	48,206	55,098
License fees	-	1,028	-
Long term debt - loan payments	-	856,982	-
Long term debt - principle repayment	-	(667,827)	-
Membership dues	500	263	500
Other expenses	10,700	9,473	23,724
Professional fees	99,000	98,101	66,323
Repairs and maintenance	1,600	5,178	-
Supplies	44,692	50,110	35,387
Telephone and internet	83,835	72,806	38,203
Training	14,000	7,340	1,304
Travel, meetings, per diems	358,350	886,272	829,863
Wages and benefits	274,626	313,110	228,253
Write off of old accounts payable	-	(62,175)	(322,851)
Transfer to capital assets	-	(11,741)	-
	1,452,703	2,072,267	1,531,443
Current deficit before transfers	1,805,520	(2,295)	(301,334)
Transfers			
Transfer - Band Programs	-	-	87,500
Transfer - Claims and Indian Government	-	-	215,000
Current surplus (deficit)	\$ -	\$ (2,295)	\$ 1,166

The accompanying notes are an integral part of the financial statements

Schedule #6
Cote First Nation
Lands Management
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ 123,266	\$ 123,266	\$ 112,765
Deferred revenue - prior	-	-	22,637
Unexpended funds transferred - prior year	-	2,375	-
	123,266	125,641	135,402
Expenses			
Consultants and contractors	80,000	81,315	5,350
Cultural programs	-	301	-
Honorariums	-	50	-
Interest and bank charges	-	-	219
License fees	-	50	-
Supplies	1,200	100	41
Telephone and internet	-	925	-
Training	5,000	4,369	-
Travel, meetings, per diems	12,500	68,712	88,392
Wages and benefits	80,000	80,289	39,025
	178,700	236,111	133,027
Current surplus (deficit) before unexpended funds	(55,434)	(110,470)	2,375
Unexpended funds			
Unexpended funds transferred to deferred revenue	-	-	(2,375)
Current deficit	\$ (55,434)	\$ (110,470)	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #7
Cote First Nation
Social Development
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ 67,392	\$ 67,392	\$ 83,642
AANDC - set	1,433,567	1,433,567	1,264,762
AANDC - current year receivable (payable)	-	58,896	(98,800)
AANDC - prior period revenue (recovery)	(100,007)	-	-
Other revenue	6,120	-	20,000
	1,407,072	1,559,855	1,269,604
Expenses			
Administration	5,957	5,888	37,774
Assistance to band members	3,376	2,000	4,049
Assistance - basic needs	969,885	1,044,878	668,588
Assistance - special needs	80,325	93,046	115,047
Community expenses	5,800	5,800	3,500
Cultural programs	61,168	61,168	63,797
Fuel	3,614	2,406	391
Interest and bank charges	-	2,601	1,499
Janitorial services	-	-	2,000
Professional fees	-	-	2,500
Program expenses	201,662	201,662	180,454
Rent	-	-	3,000
Repairs and maintenance	600	293	-
License fees	-	-	863
Staffing costs	-	24,800	1,774
Supplies	3,420	4,317	5,871
Telephone and internet	-	-	1,250
Training	-	-	32,445
Travel, meetings, per diems	24,458	24,506	25,677
Wages and benefits	133,524	161,387	138,520
Youth	11,086	9,710	7,605
	1,504,875	1,644,462	1,296,604
Current deficit	\$ (97,803)	\$ (84,607)	\$ (27,000)

The accompanying notes are an integral part of the financial statements

Schedule #8
Cote First Nation
Indian Registration
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - fixed	\$ 26,382	\$ 26,382	\$ 27,581
Deferred revenue - prior	- -	- -	4,537
	26,382	26,382	32,118
Expenses			
Consultants and contractors	- -	1,000	3,028
Equipment purchases	- -	1,544	- -
Supplies	5,150	399	327
Training	3,938	1,482	1,800
Travel, meetings, per diems	6,000	4,713	7,262
Wages and benefits	33,506	36,562	32,182
	48,594	45,700	44,599
Current deficit	\$ (22,212)	\$ (19,318)	\$ (12,481)

The accompanying notes are an integral part of the financial statements

Schedule #9
Cote First Nation
Governance and Institutions of Governance
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
AANDC - prior period revenue (recovery)	\$ -	\$ -	\$ (53,500)
Expenses			
Consultants and contractors	- -	- -	(53,500)
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #10
Cote First Nation
Health Programs
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
Health Canada	\$ 823,265	\$ 853,624	\$ 850,925
Health Canada - prior period revenue (recovery)	- -	(119,892)	10,418
Yorkton Tribal Council	- -	26,700	27,500
Administration fees	4,757	74,010	67,161
	828,022	834,442	956,004
Expenses			
Administration	- -	69,254	67,891
Assistance to band members	1,200	1,200	3,950
Community expenses	67,285	67,272	36,646
Consultants and contractors	101,629	101,565	120,145
Cultural programs	14,349	16,716	4,640
Fuel	- -	- -	782
Grocery and meal preparation	1,100	1,100	- -
Honorariums	3,603	- -	- -
Insurance	8,000	9,286	9,286
Interest and bank charges	2,676	2,676	1,615
Janitorial services	- -	- -	5,272
Lease payments	3,796	3,796	3,901
License fees	1,292	1,292	- -
Professional fees	- -	- -	2,500
Program expenses	6,149	6,149	4,710
Repairs and maintenance	9,041	2,228	1,659
Security	480	480	240
Staffing costs	3,277	- -	- -
Student allowance	520	520	- -
Supplies	59,628	62,124	47,077
Telephone and internet	12,450	13,986	7,552
Training	52,245	53,460	42,654
Travel - medical transportation	40,096	53,053	56,048
Travel, meetings, per diems	61,883	69,057	87,979
Utilities	6,250	6,234	5,482
Vehicles	11,841	11,841	- -
Wages and benefits	432,810	485,134	467,845
Youth	33,881	34,027	20,342
Transfer to capital assets	- -	(28,567)	- -
	935,481	1,043,883	998,216
Current deficit	\$ (107,459)	\$ (209,441)	\$ (42,212)

The accompanying notes are an integral part of the financial statements

Schedule #11
Cote First Nation
CMHC Housing
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
CMHC - subsidy	\$ 751,282	\$ 749,917	\$ 763,448
Housing rental income	25,407	411,770	273,874
Other revenue	-	5,396	-
	776,689	1,167,083	1,037,322
Expenses			
Consultants and contractors	300	300	-
Insurance	75,785	82,675	103,030
Interest and bank charges	6,603	6,603	8,189
Long term debt - payments (principle & interest)	736,654	736,654	755,436
Long term debt - principle repayment	-	(612,250)	(488,197)
Professional fees	-	18,500	18,500
Repairs and maintenance	326,031	339,144	167,626
Replacement reserve allocation	57,695	57,695	-
Utilities	195	195	-
Wages and salaries	1,387	217	-
	1,204,650	629,733	564,584
Current surplus before transfers	(427,961)	537,350	472,738
Transfers			
Transfer - Claims and Indian Government	-	-	100,000
Transfer - Amortization	-	(507,968)	(501,207)
Current surplus	\$ -	\$ 29,382	\$ 71,531

The accompanying notes are an integral part of the financial statements

Schedule #12
Cote First Nation
Band Programs
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue			
Ottawa Trust Funds	\$ -	\$ 225,390	\$ 51,531
Yorkton Tribal Council	221,535	227,860	201,535
First Nations Trust	1,041,375	1,339,340	1,309,735
Painted Hand Development Corporation	35,456	35,456	-
Onakawek Trust income	-	-	317,194
Other revenue	1,037,915	108,723	76,466
Administration fees	535,925	93,925	99,328
Deferred revenue - prior	-	-	776,538
	2,872,206	2,030,694	2,832,327
Expenses			
Administration	30,258	38,277	49,916
Advertising, promotions, sponsorships	203,962	357,014	211,498
Assistance to band members	338,200	919,904	671,720
Capital expenditures	13,000	12,667	-
Community expenses	936,925	706,090	1,681,645
Cultural programs	78,000	120,558	47,237
Fuel	14,352	37,294	20,027
Graduation, awards, prizes	16,500	17,750	10,350
Honorariums	78,906	2,674	-
Insurance	19,400	21,010	21,010
Interest and bank charges	1,052	1,081	1,523
Long term debt - payments (principle & interest)	71,500	-	568,708
License fees	4,047	4,047	6,302
Other expenses	14,000	40,632	28,720
Per capita distributions - Pelly Haylands	3,500	9,500	4,000
Long term debt - principle repayment	-	-	(436,066)
Professional fees	-	-	2,000
Program expenses	7,840	41,184	6,160
Recreational activities	97,456	90,679	31,365
Repairs and maintenance	43,683	78,868	87,003
Security	1,320	942	660
Staffing costs	6,500	21,650	12,600
Student allowance	150,580	155,972	105,973
Summer/winter games	25,000	29,430	42,514
Supplies	23,500	39,574	11,421
Telephone and internet	3,800	5,398	3,474
Training	90,360	91,040	35,820
Travel - medical transportation	-	21,346	12,065
Travel, meetings, perdiems	15,172	21,489	21,742
Utilities	141,300	181,527	185,501
Wages and benefits	352,602	461,626	344,654
	2,782,715	3,529,223	3,789,542
Current deficit before transfers	89,491	(1,498,529)	(957,215)

The accompanying notes are an integral part of the financial statements

Schedule #12, continued
Cote First Nation
Band Programs
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Transfers			
Transfer - Community Development	-	-	(30,500)
Transfer - Indian Government Support	-	-	(87,500)
Transfer - Claims and Indian Government	-	-	600,000
Current deficit	\$	-	\$ (1,498,529) \$ (475,215)

The accompanying notes are an integral part of the financial statements

Schedule #13
Cote First Nation
Amortization
Schedule of Operations
For the year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Revenue	\$ -	\$ -	\$ -
Expenses			
Community buildings	-	360,885	356,533
Capital equipment	-	512,744	386,697
Housing	-	69,890	143,684
Cote Band Store	-	-	36,892
CMHC operations (section 95)	-	507,968	501,207
	-	1,451,487	1,425,013
Current deficit before transfers	-	(1,451,487)	(1,425,013)
Transfers			
Transfer - Programs	-	1,451,487	1,425,013
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements