

**Cote First Nation
Consolidated Financial Statements
March 31, 2015**

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March 31, 2015

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Cote First Nation
Management's Responsibility for Financial Reporting
March 31, 2015

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) 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 Chartered Professional 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

August 14, 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
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, 2015, 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 Cote Resources Ltd. (formerly 1684671 Alberta Ltd.) 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 \$6,217,568. Refer to Note #9 and 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, 2015 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, 2015

| | 2015 | 2014 Restated |
|--|----------------------|----------------------|
| Financial Assets | | |
| Restricted cash - capital projects (Note 3) | \$ 274,838 | \$ 614,966 |
| Restricted cash - other (Note 3) | 1,533,485 | 1,619,907 |
| Restricted cash - CMHC (Note 3) | 1,048,117 | 1,154,469 |
| Funds held in trust by federal government (Note 4) | 462,706 | 70,614 |
| Accounts receivable (Note 5) | 458,712 | 458,730 |
| Due from related entities (Note 7) | 1,350,892 | 986,892 |
| Deposit on land (Note 8) | 100,000 | 100,000 |
| Equity in related business entities (Note 9) | 6,068,677 | 7,075,806 |
| | <u>11,297,427</u> | <u>12,081,384</u> |
| Liabilities | | |
| Bank indebtedness (Note 3 and 11) | 232,733 | 338 |
| Accounts payable (Note 12) | 1,035,499 | 1,383,200 |
| Deferred revenue - unexpended funds (Note 14) | 8,164 | - |
| Deferred revenue (Note 15) | 779,805 | 1,330,128 |
| Current portion of long-term debt (Note 16) | 916,863 | 523,318 |
| Current portion of CMHC mortgages (Note 17) | 523,172 | 536,813 |
| Long-term debt (Note 16) | 6,204,137 | 4,248,010 |
| CMHC mortgages (Note 17) | 5,557,622 | 6,054,851 |
| | <u>15,257,995</u> | <u>14,076,658</u> |
| Net debt | (3,960,568) | (1,995,274) |
| Non-financial Assets | | |
| Capital assets (Note 18) | 24,032,499 | 24,720,540 |
| Accumulated Surplus (Note 19) | <u>\$ 20,071,931</u> | <u>\$ 22,725,266</u> |

Approved on behalf of the Cote First Nation:

Signature on file _____, **Cote First Nation**

Signature on file _____, **Cote First Nation**

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Operations
For the year ended March 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Restated |
|--|--------------------|--------------------|-------------------|
| Revenue | | | |
| AANDC - grant | \$ 434,189 | \$ 434,189 | \$ 434,189 |
| AANDC - fixed | 3,237,864 | 3,237,864 | 3,763,921 |
| AANDC - set | 1,481,636 | 1,788,524 | 1,676,411 |
| AANDC - flexible | 375,259 | 1,702,275 | 247,000 |
| AANDC - current year receivable (payable) | - | (35,282) | 59,361 |
| Ottawa Trust Funds | - | 507,092 | 225,390 |
| Health Canada | 884,347 | 988,920 | 733,732 |
| CMHC | - | 747,782 | 795,570 |
| Housing rental income | - | 256,724 | 420,110 |
| First Nations Trust | 1,041,373 | 1,289,429 | 1,339,340 |
| Yorkton Tribal Council | - | 419,351 | 431,354 |
| Cote Legacy Trust | - | 4,916,132 | 10,534,731 |
| Onakawek Trust annual income | - | 517,867 | 1,432,110 |
| Cote Band Store | - | - | 59,543 |
| Painted Hand Development Corporation | - | 230,971 | 35,456 |
| Gain (loss) on investments in businesses | - | (959,898) | 1,402,014 |
| Lease revenue - DM Resorts | - | 120,000 | 120,000 |
| Insurance proceeds | - | 234,447 | 90,910 |
| Interest income | 500,000 | 22,527 | 24,222 |
| Other revenue | 19,038 | 307,802 | 140,630 |
| Administration fees (Note 2.j) | - | 64,458 | 513,222 |
| Unexpended funds transferred - prior year | - | 8,847 | 20,703 |
| Deferred revenue - prior | - | 1,330,128 | 3,508,699 |
| Deferred revenue - current | - | (779,805) | (1,330,128) |
| | 7,973,706 | 17,350,344 | 26,678,490 |
| Expenses | | | |
| Claims and Indian Government (Schedule 1) | 11,200 | 2,662,537 | 7,818,428 |
| Community Development (Schedule 2) | 918,559 | 2,274,674 | 2,566,191 |
| Economic Development (Schedule 3) | - | 1,088,672 | 1,573,411 |
| Education (Schedule 4) | 2,689,017 | 2,909,936 | 3,030,907 |
| Indian Government Support (Schedule 5) | 2,148,901 | 1,990,187 | 2,072,268 |
| Lands Management (Schedule 6) | 132,000 | 138,030 | 236,111 |
| Social Development (Schedule 7) | 1,332,995 | 1,661,287 | 1,644,462 |
| Indian Registration (Schedule 8) | 43,500 | 45,266 | 45,700 |
| Governance and Institutions of Governance (Schedule 9) | 25,000 | 117,468 | - |
| Health Programs (Schedule 10) | 900,347 | 1,292,654 | 1,043,886 |
| CMHC Housing (Schedule 11) | - | 733,684 | 614,941 |
| Band Programs (Schedule 12) | 1,547,081 | 3,728,189 | 3,514,568 |
| Amortization (Schedule 13) | - | 1,352,932 | 1,451,487 |
| | 9,748,600 | 19,995,516 | 25,612,360 |
| Current surplus (deficit) before unexpended funds | (1,774,894) | (2,645,172) | 1,066,128 |

The accompanying notes are an integral part of the financial statements

Cote First Nation
Consolidated Statement of Operations
For the year ended March 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|----------------|----------------|----------------|
| <hr/> | | | |
| Unexpended funds | | | |
| Unexpended funds transferred to deferred revenue | - | (8,164) | - |
| <hr/> | | | |
| Current surplus (deficit) | \$ (1,774,894) | \$ (2,653,336) | \$ 1,066,128 |
| <hr/> | | | |

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, 2015

| | 2015 | 2014 Restated |
|-------------------------------------|---------------|------------------|
| Surplus at beginning of year | \$ 22,725,266 | \$ 21,659,138 |
| Current surplus (deficit) | (2,653,336) | 1,066,128 |
| Surplus at end of year | \$ 20,071,930 | \$ 22,725,266 |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Restated |
|---|----------------|-----------------------|-----------------------|
| Current surplus (deficit) | \$ (1,774,894) | \$ (2,653,336) | \$ 1,066,128 |
| Acquisition of tangible capital assets | - | (685,090) | (3,075,950) |
| Amortization of tangible capital assets | - | 1,352,932 | 1,451,487 |
| Amortization of tangible capital assets - disposals | - | (2,800) | - |
| Disposal of tangible capital assets | - | 23,000 | 33,076 |
| | - | 688,042 | (1,591,387) |
| Use of prepaid asset | - | - | 25,459 |
| Use of inventory | - | - | 42,299 |
| Decrease in net financial assets | (1,774,894) | (1,965,294) | (457,501) |
| Net debt at beginning of year | - | (1,995,274) | (1,537,773) |
| Net debt at end of year | \$ - | \$ (3,960,568) | \$ (1,995,274) |

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, 2015

| | 2015 | 2014 Restated |
|---|----------------|------------------|
| Cash flows from | | |
| Operating activities | | |
| Current surplus (deficit) | \$ (2,653,336) | \$ 1,066,128 |
| Items not affecting cash | | |
| Amortization | 1,352,932 | 1,451,487 |
| Gain on disposal of capital assets | (2,800) | - |
| | (1,303,204) | 2,517,615 |
| Change in non-cash operating working capital | | |
| Accounts receivable | 18 | 232,411 |
| Inventory | - | 42,299 |
| Prepaid expenses | - | 25,459 |
| Deposit on land | - | (100,000) |
| Accounts payable | (347,697) | 529,545 |
| Deferred revenue - unexpended funds | 8,164 | (20,703) |
| Deferred revenue | (550,323) | (2,178,571) |
| Current portion of CMHC mortgages | (13,641) | 35,038 |
| Funds held in trust by federal government | (392,092) | 27,609 |
| Equity income in related business entities | 959,898 | (1,402,014) |
| Withdrawals from equity investment | 47,232 | - |
| | (1,591,645) | (291,312) |
| Capital activities | | |
| Capital asset purchases | (685,095) | (3,075,949) |
| Proceeds from disposal of capital asset | 23,000 | 33,076 |
| | (662,095) | (3,042,873) |
| Financing activities | | |
| Due from/to related entities | (364,000) | (334,112) |
| Due to Onakawek Trust (30% of annual income) | - | (665,388) |
| CMHC mortgages | (497,229) | (351,063) |
| Long term debt - proceeds | 7,121,000 | 5,250,000 |
| Long term debt - repayment | (4,771,328) | (2,320,200) |
| | 1,488,443 | 1,579,237 |
| Decrease in cash and cash equivalents | (765,297) | (1,754,948) |
| Cash and cash equivalents, beginning of year | 3,389,004 | 5,143,952 |
| Cash and cash equivalents, end of year | \$ 2,623,707 | \$ 3,389,004 |
| Represented by | | |
| Cash | \$ (232,733) | \$ (338) |
| Restricted cash - capital projects | 274,838 | 614,966 |
| Restricted cash - other | 1,533,485 | 1,619,907 |
| Restricted cash - CMHC | 1,048,117 | 1,154,469 |
| | \$ 2,623,707 | \$ 3,389,004 |

The accompanying notes are an integral part of the financial statements

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

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 are 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.

(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 accounted for on a modified equity basis include:

- Cote Resources Ltd. (formerly 1684671 Alberta Ltd.)
- Cote Market Development Inc.
- Duck Mountain Resorts LP
- Duck Mountain Resorts Inc
- 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.

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.

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

(g) Liability for contaminated sites

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.

(h) 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.

(i) 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.

(j) 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."

(k) 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 that does not have a provision for the deferral of unexpended funds is reported as a repayment of revenue.

(l) Expense recognition

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

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

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

(m) Comparative figures

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

3. 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:

| | 2015 | 2014 |
|--|---------------------|---------------------|
| Cash | | |
| Operating | \$ (232,733) | \$ (338) |
| Restricted cash - capital projects | | |
| Project engineer account | 274,838 | 614,966 |
| Restricted cash - CMHC | | |
| Replacement reserves | 1,048,117 | 1,154,469 |
| Restricted cash - other | | |
| GIC - held for security - Cote Market Development Inc. | 548,912 | 602,007 |
| Per capita distribution | 209,923 | 240,500 |
| BMO - debt service reserve | 774,650 | 777,400 |
| | 1,533,485 | 1,619,907 |
| Funds held in trust by federal government | | |
| Capital | 29,076 | 29,076 |
| Revenue | 433,630 | 41,538 |
| | 462,706 | 70,614 |
| Total cash and cash equivalents | \$ 3,086,413 | \$ 3,459,618 |

Cote First 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 | \$ 41,538 | \$ 29,076 | \$ 70,614 | \$ 98,223 |
| Withdrawals | (115,000) | - | (115,000) | (253,000) |
| Interest revenue | 13,076 | - | 13,076 | 3,712 |
| Lease revenue | 494,016 | - | 494,016 | 221,679 |
| Surplus, end of year | \$ 433,630 | \$ 29,076 | \$ 462,706 | \$ 70,614 |

5. Accounts receivable

| | 2015 | 2014 |
|---|-------------------|-------------------|
| Due from others | | |
| Yorkton Tribal Council | \$ 210,859 | \$ 36,309 |
| Other receivables | 29,436 | 8,341 |
| Painted Hand CDC | 17,674 | - |
| | 257,969 | 44,650 |
| Due from government and other government organizations | | |
| AANDC | 129,888 | 144,488 |
| Health Canada | 8,327 | 163,564 |
| CMHC | 62,041 | 85,161 |
| CRA - GST | 487 | 20,867 |
| | 200,743 | 414,080 |
| Total accounts receivable | \$ 458,712 | \$ 458,730 |

6. AANDC Receivable

| | 2015 | 2014 |
|----------------------|------------|------------|
| Fire Protection | \$ 50,000 | \$ 50,000 |
| Fire Protection | - | 24,017 |
| BEB - statutory | - | 465 |
| Basic Needs | 50,000 | 70,006 |
| Specific Claims | 1,400 | - |
| NCBR | 24,250 | - |
| Special Needs (ECIP) | 4,238 | - |
| | \$ 129,888 | \$ 144,488 |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

7. Due from related entities

| | 2015 | 2014 |
|------------------------------|---------------------|-------------------|
| Duck Mountain Resorts LP | \$ 1,125,637 | \$ 761,637 |
| Cote Market Development Inc. | 225,255 | 225,255 |
| | <u>\$ 1,350,892</u> | <u>\$ 986,892</u> |

8. Deposit on Land

In the previous year the First Nation purchased a parcel of land from a band member in the amount of \$100,000. As of March 31, 2015 the land title had not yet transferred to the First Nation. The land title was transferred to the First Nation on August 04, 2015.

9. 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. 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 |
|--|---------------------|---------------------|
| Cote Resources Ltd. (formerly 1684671 Alberta Ltd.) (100%) | \$ 6,217,568 | \$ 7,006,141 |
| Cote Market Development Inc. (100%) | 478,249 | 455,851 |
| Duck Mountain Resorts Group (100%) | (1,022,799) | (702,368) |
| PHC Holdings LP (14%) | 390,544 | 311,065 |
| PHC Holdings Ltd. (14%) | 5,115 | 5,117 |
| | <u>\$ 6,068,677</u> | <u>\$ 7,075,806</u> |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

9. Equity in related entities, continued

| | Cote Resources Ltd. March 31, 2015 | Cote Market Development March 31, 2015 | Duck Mountain Resorts Group December 31, 2014 | PHC Holdings LP (14%) December 31, 2014 | PHC Holdings Ltd. (14%) December 31, 2014 |
|-------------------------------------|---|---|---|--|--|
| Cash | \$ 35,549 | \$ 3,500 | \$ 6,699 | \$ 550,758 | \$ - |
| GICs | - | - | - | 547,543 | - |
| Accounts receivable | - | 90,516 | 5,628 | 21,657 | - |
| Inventory | - | 174,814 | 11,918 | - | - |
| Prepaid | 727,371 | - | - | - | - |
| GST receivable | 80,161 | - | - | - | - |
| Investment related entity | - | - | - | - | 40,014 |
| Tangible capital assets | 5,410,236 | 558,974 | 198,498 | 9,924,410 | - |
| Other assets | - | - | 200 | 3,335 | - |
| Total assets | \$ 6,253,317 | \$ 827,804 | \$ 222,943 | \$ 11,047,703 | \$ 40,014 |
| Bank indebtedness | \$ - | \$ 39,080 | \$ - | \$ - | \$ - |
| Accounts payable | 35,749 | 85,220 | 120,203 | 79,149 | 400 |
| Short-term debt | - | - | 5,064 | 8,194,732 | - |
| Long-term debt | - | - | 7,838 | - | - |
| Other liabilities | - | 225,255 | 1,112,637 | - | 3,478 |
| Total liabilities | 35,749 | 349,555 | 1,245,742 | 8,273,881 | 3,878 |
| Share capital | - | 100 | - | - | 100 |
| Equity | 6,217,568 | 478,149 | (1,022,799) | 2,773,822 | 36,436 |
| Total equity | 6,217,568 | 478,249 | (1,022,799) | 2,773,822 | 36,536 |
| Total liabilities and equity | \$ 6,253,317 | \$ 827,804 | \$ 222,943 | \$ 11,047,703 | \$ 40,414 |

The financial statements for Cote Resources Ltd. as at March 31, 2015 were prepared by the management of the company and have not been audited.

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

10. Investment in Cote Resources Ltd. (formerly 1684671 Alberta Ltd.)

Cote First Nation's investments include the equity of \$6,217,568 reported on the unaudited financial statements of Cote Resources Ltd.(referred to as 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. On March 19, 2015, Cote First Nation and Quattro signed a settlement agreement. Both parties agreed to transfer and convey their respective interests in certain assets to the other party. 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 2015.

The financial statements for CRL were prepared without audit. The assets held by CRL did not generate any revenue in 2014 or 2015, however management, based on outside appraisals, believes that once drilling commences there will be sufficient revenue to provide a reasonable return on investment.

11. Bank indebtedness

As of March 31, 2015, the First Nation had overdraft protection of \$300,000 at Peace Hills Trust. The overdraft interest rate is 24%.

There is no approved overdraft with the TD Bank; on March 31, 2015 the balance in the bank was \$50,343 and there were cheques written in excess of deposits of \$244,151.

12. Accounts payable

| | 2015 | 2014 |
|---|---------------------|---------------------|
| Due to others | | |
| Group insurance | \$ - | \$ 4,858 |
| Pension plan | 2,989 | 20,319 |
| General suppliers | 798,670 | 1,032,134 |
| Wages and benefits | 184,881 | 170,955 |
| | <u>986,540</u> | <u>1,228,266</u> |
| Due to government and other government organizations | | |
| AANDC | 35,282 | 11,110 |
| Health Canada | - | 109,900 |
| CRA - source deductions | 13,677 | 33,924 |
| | <u>48,959</u> | <u>154,934</u> |
| Total accounts payable | <u>\$ 1,035,499</u> | <u>\$ 1,383,200</u> |

Cote First Nation
Notes to Consolidated Financial Statements
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13. AANDC payable

| | 2015 | 2014 |
|-------------------------|-----------|-----------|
| Special Needs | \$ 7,368 | \$ 933 |
| Child Tax Benefit (NCB) | - | 10,177 |
| Band Employee Benefits | 4,472 | - |
| Basic Needs | 1,347 | - |
| Home Care | 9 | - |
| Institutional Care | 22,086 | - |
| | <hr/> | <hr/> |
| | \$ 35,282 | \$ 11,110 |

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 upon approval from AANDC. All excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

The 2014 AANDC review letter indicated unexpended funds of \$8,847 that were not recognized in the 2014 audited financial statements. These amounts have been adjusted for in the current year by recording the unexpended funds in the applicable programs with an offsetting expense in the "Other Programs - Schedule 12". The amounts included in the 2014 column of this note are for information purposes only.

| | 2015 | 2014 |
|------------------------|----------|----------|
| Summer Work Experience | \$ - | \$ 683 |
| Employee Benefits | 8,164 | 8,164 |
| | <hr/> | <hr/> |
| Total | \$ 8,164 | \$ 8,847 |

15. Deferred revenue

| | March 31, 2014 | Funding received, 2015 | Revenue recognized, 2015 | March 31, 2015 |
|---------------------------|-------------------|------------------------------|--------------------------------|-------------------|
| Federal government | | | | |
| Water Recharge | \$ 262,333 | \$ - | \$ (11,825) | \$ 250,508 |
| Fire protection - capital | 50,000 | 50,000 | (4,105) | 95,895 |
| Low Pressure Water | 552,633 | 1,277,016 | (1,817,745) | 11,904 |
| Health capital project | - | 120,573 | (112,100) | 8,473 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 864,966 | 1,447,589 | (1,945,775) | 366,780 |
| Other | | | | |
| Subdivision Expansion | 127,099 | - | (33,614) | 93,485 |
| Per capita payout | 338,063 | 1,248,233 | (1,266,756) | 319,540 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 465,162 | 1,248,233 | (1,300,370) | 413,025 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | \$ 1,330,128 | \$ 2,695,822 | \$ (3,246,145) | \$ 779,805 |

Cote First Nation
Notes to Consolidated Financial Statements
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16. Long-term debt

| | 2015 | 2014 |
|---|--------------|--------------|
| 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 |
| BMO - Consolidation loan | | |
| Demand loan - bearing interest at prime plus 2% monthly payments, principle & interest of \$104,340.90, general security agreement secured by Cote Onakawek Trust and lease revenue from One Earth Farms, No maturity date, secured by BCR. | 7,121,000 | - |
| | 7,121,000 | 4,771,328 |
| Current portion | 916,863 | 523,318 |
| | \$ 6,204,137 | \$ 4,248,010 |
| Principal portion of long-term debt due within the next five years: | | |
| 2016 | \$ 916,863 | |
| 2017 | 963,771 | |
| 2018 | 1,013,080 | |
| 2019 | 1,064,911 | |
| 2020 and thereafter | 3,162,375 | |
| | \$ 7,121,000 | |
| | 2015 | 2014 |
| Interest expense for the year on long-term debt | \$ 292,199 | \$ 222,455 |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

17. 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 | 2015 | 2014 Restated |
|-----------------|-----------------|------------------|------------------|--------------------|--------------|------------------|
| CMHC | 1 | 01/07/2015 | 11.75% | \$ 3,913 | \$ 15,484 | \$ 58,421 |
| CMHC | 2 | 01/07/2016 | 13.00% | 2,588 | 38,349 | 66,976 |
| CMHC | 3 | 01/06/2016 | 14.00% | 802 | 11,139 | 20,000 |
| CMHC | 4 | 01/02/2017 | 21.50% | 10,593 | 203,312 | 277,407 |
| PHT | 7 | 01/08/2015 | 5.79% | 3,387 | 16,871 | 55,527 |
| PHT | 11 | 01/02/2017 | 5.14% | 1,250 | 27,541 | 40,836 |
| CMHC | 12 | 01/12/2019 | 1.83% | 2,057 | 217,190 | 237,284 |
| CMHC | 13 | 01/08/2015 | 2.69% | 1,708 | 181,381 | 196,856 |
| CMHC | 14 | 01/09/2017 | 1.71% | 1,437 | 194,282 | 208,116 |
| CMHC | 15 | 01/09/2019 | 1.82% | 648 | 98,700 | 104,522 |
| CMHC | 16 | 01/04/2019 | 1.92% | 2,084 | 305,900 | 324,896 |
| CMHC | 17 | 01/06/2017 | 1.65% | 2,124 | 281,239 | 301,957 |
| PHT | 18 | 01/08/2018 | 2.99% | 11,246 | 1,916,987 | 1,994,029 |
| CMHC | 19 | 01/12/2015 | 2.56% | 8,302 | 1,289,276 | 1,355,408 |
| CMHC | 20 | 01/12/2015 | 2.56% | 8,302 | 1,283,143 | 1,349,429 |
| | | | | | 6,080,794 | 6,591,664 |
| Current portion | | | | | 523,172 | 536,813 |
| | | | | | \$ 5,557,622 | \$ 6,054,851 |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

18. Tangible capital assets

| | Cost | Additions | Disposals | Accumulated amortization | 2015 Net book value |
|------------------------|----------------------|-------------------|------------------|-----------------------------|---------------------------|
| Land | \$ 2,309,713 | \$ - | \$ - | \$ - | \$ 2,309,713 |
| Buildings | 9,369,315 | - | - | 4,978,517 | 4,390,798 |
| Equipment and vehicles | 3,156,839 | 94,819 | 23,000 | 2,233,498 | 995,160 |
| Infrastructure | 9,257,673 | 590,273 | - | 1,485,658 | 8,362,288 |
| Band houses | 4,062,955 | - | - | 3,321,023 | 741,932 |
| CMHC housing | 14,515,678 | - | - | 7,283,070 | 7,232,608 |
| Total | \$ 42,672,173 | \$ 685,092 | \$ 23,000 | \$ 19,301,766 | \$ 24,032,499 |

| | 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 |

19. Accumulated surplus

| | 2015 | 2014 Restated |
|---|----------------------|----------------------|
| <u>Restricted</u> | | |
| Capital assets | \$ 17,951,705 | \$ 18,128,876 |
| CMHC reserves | 1,295,494 | 1,214,533 |
| Funds held in trust by federal government | 462,706 | 70,614 |
| Equity in related entities | 6,068,677 | 7,075,706 |
| <u>Unrestricted</u> | | |
| Operating deficit | (5,706,651) | (3,764,463) |
| | \$ 20,071,931 | \$ 22,725,266 |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

20. Prior period restatement

In 2009 Canada Mortgage and Housing Corporation made an error in calculating the mortgage balance of phase 4. A prior period adjustment has been made to the 2013 and 2014 mortgage balances and accumulated surplus.

This restatement has resulted in the following adjustments:

2013 Phase 4 mortgage balance increased by \$253,332
2013 Accumulated surplus decreased by \$253,332

2014 Phase 4 mortgage balance increased by \$238,540
2014 Accumulated surplus decreased by \$238,540
2014 Current surplus increased by \$14,792
2014 Interest expense decreased by \$14,792

21. Current year summary of surplus (deficit) by segment

| | Revenue | Expenditures | Transfers | Surplus (deficit) |
|--|----------------------|----------------------|----------------|-----------------------|
| Claims and Indian Government | \$ 4,959,864 | \$ 2,662,538 | \$ (2,269,872) | \$ 27,454 |
| Community Development | 3,090,545 | 2,274,674 | (1,707,791) | (891,920) |
| Economic Development | (666,291) | 1,088,672 | 1,053,643 | (701,320) |
| Education | 2,689,091 | 2,909,936 | - | (220,845) |
| Indian Government Support | 1,252,258 | 1,990,187 | 693,825 | (44,104) |
| Lands Management | 92,665 | 138,030 | - | (45,365) |
| Social Development | 1,571,470 | 1,661,286 | - | (89,816) |
| Indian Registration | 26,484 | 45,266 | - | (18,782) |
| Governance and Institutions of Governance | 25,000 | 117,468 | - | (92,468) |
| Health Programs | 1,038,078 | 1,292,653 | - | (254,575) |
| CMHC Housing | 935,807 | 733,684 | (507,968) | (305,845) |
| Band Programs | 2,327,209 | 3,728,187 | 1,385,231 | (15,747) |
| Amortization | - | 1,352,932 | 1,352,932 | - |
| | <u>\$ 17,342,180</u> | <u>\$ 19,995,513</u> | <u>\$ -</u> | <u>\$ (2,653,333)</u> |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

22. AANDC reconciliation

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

| | 2015 | 2014 |
|---|---------------------|---------------------|
| Balance per AANDC confirmation | \$ 7,163,317 | \$ 6,121,521 |
| Payable (receivable) - previous year | | |
| Band Employee Benefits | (465) | - |
| Receivable (payable) - current year | | |
| Band Employee Benefits | (4,472) | 465 |
| Basic Needs | (1,347) | 70,006 |
| Special Needs | (7,368) | (933) |
| Institutional Care | (22,086) | (10,177) |
| Home Care | (9) | - |
| Balance per financial statements | \$ 7,127,570 | \$ 6,180,882 |

23. Government Transfers

| | 2015 | | |
|--|---------------------|---------------------|---------------------|
| | Operating | Capital | Total |
| Federal government transfers | | | |
| Aboriginal Affairs and Northern Development Canada | \$ 5,425,295 | \$ 1,702,275 | \$ 7,127,570 |
| Health Canada | 868,347 | 120,573 | 988,920 |
| Canada Mortgage and Housing Corporation | 747,782 | - | 747,782 |
| Total | 7,041,424 | 1,822,848 | 8,864,272 |
| Provincial government transfers | - | - | - |
| | \$ 7,041,424 | \$ 1,822,848 | \$ 8,864,272 |
| | 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 |

24. 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, 2015 the reserve accounts were under-funded by \$247,377 (2014 - \$60,064). The amount required to be set aside was \$1,295,494 (2014 - \$1,214,533) and the amount in the reserve bank account was \$1,048,117 (2014 - \$1,154,469). (The reserve amount of \$1,295,494 is not reported separately on these financial statements, but is included in equity).

25. Health Canada - Moveable Asset Reserve

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

26. 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 does not have any other obligations with regards to the pension plan as at March 31, 2015.

27. 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
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28. 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:

| | December 31, 2014 | December 31, 2013 |
|---------------------|----------------------|----------------------|
| Cote Legacy Trust | \$ 71,842,374 | \$ 63,932,409 |
| Cote Onakawek Trust | 10,475,055 | 9,619,921 |
| Total | \$ 82,317,429 | \$ 73,552,330 |

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.

29. 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.

30. Subsequent events

There are no subsequent events to report.

31. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council.

32. 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.

33. AANDC funding

The First Nation (Recipient) receives funding from Aboriginal Affairs and Northern Development Canada (AANDC) by entering into an agreement with AANDC.

There are five approaches that AANDC may consider in the design and delivery of transfer payment programs:

1. **Grant approach** – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. **Set contribution approach** – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to AANDC annually.
3. **Fixed contribution approach** – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by AANDC. A plan must be submitted and approved by AANDC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by AANDC.
4. **Flexible contribution approach** – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to AANDC at the end of the project, program or agreement.
5. **Block contribution approach** – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by AANDC.

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.

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.

34. Segmented information, continued

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) 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, 2015

35. Expenses by object

| | 2015 Budget | 2015 Actual | 2014 Actual Restated |
|--|----------------|----------------|----------------------------|
| Administration | \$ 35,232 | \$ 34,476 | \$ 148,873 |
| Advertising, promotions, sponsorships | - | 64,143 | 359,203 |
| Amortization | - | 1,352,932 | 1,451,487 |
| Assistance - basic needs | 872,897 | 1,126,943 | 1,044,878 |
| Assistance - special needs | 86,050 | 95,240 | 95,471 |
| Assistance to band members | 116,700 | 679,857 | 1,033,586 |
| Bad debts | 71,500 | - | - |
| Business initiatives | - | 518,307 | 699,912 |
| Capital purchases | - | - | 42,508 |
| Charitable expense | 150,000 | 155,615 | - |
| Community expenses | 1,046,496 | 1,342,330 | 783,772 |
| Consultants and contractors | 281,143 | 1,308,144 | 3,551,261 |
| Cote Band Store | - | 13,110 | 201,937 |
| Cultural programs | 180,900 | 175,308 | 167,023 |
| Economic Development - Businesses | - | 125,000 | - |
| Education | 15,000 | 18,519 | 1,800 |
| Equipment purchases | 18,750 | 23,892 | 17,133 |
| Fuel | 5,000 | 50,254 | 69,449 |
| Governance/Policy Development | 152,000 | 167,455 | - |
| Graduation, awards, prizes | 55,580 | 40,972 | 40,421 |
| Grocery and meal preparation | - | - | 1,100 |
| Honorariums | 397,200 | 463,042 | 413,786 |
| Insurance | 12,000 | 391,722 | 264,128 |
| Interest and bank charges | 20,240 | 45,427 | 62,601 |
| Janitorial services | - | 5,290 | 20,972 |
| Land | - | - | 100,000 |
| Land purchase transfer to balance sheet | - | - | (100,000) |
| Lease payments | 54,950 | 73,615 | 88,707 |
| Legacy Trust loan payments - facility #2 | - | 1,332,032 | 3,525,413 |
| License fees | - | 10,303 | 22,152 |
| Long term debt - interest | 370,000 | 507,471 | 487,575 |
| Loss (gain) on disposal of capital assets | - | (3,800) | - |
| Membership dues | - | 339 | 263 |
| Municipal fire services | - | 25,443 | 53,810 |
| Assistance - institutional care | - | 49,448 | - |
| National Child Benefit | 29,364 | 25,623 | - |
| Other expenses | 10,000 | 58,109 | 65,465 |
| Per capita distributions | - | 1,266,731 | 666,475 |
| Per capita distributions - Pelly Haylands | - | 3,000 | 9,500 |
| Per capita distributions - repaid to Trust | - | - | 3,500,000 |
| Professional fees | 134,232 | 274,705 | 221,723 |
| Program expenses | 78,475 | 161,947 | 279,723 |
| Property taxes | - | 18,786 | - |
| Recreational activities | 5,000 | 66,193 | 90,679 |

Cote First Nation
Notes to Consolidated Financial Statements
March 31, 2015

35. Expenses by object, continued

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|---------------------|----------------------|----------------------|
| Registration fees | 3,000 | 3,335 | 3,150 |
| Rent | - | 625 | - |
| Repairs and maintenance | 558,008 | 1,516,332 | 1,321,079 |
| SIGA | - | 21,650 | - |
| Security | - | 330 | 4,100 |
| Senior/Youth programs | 7,000 | 65,741 | 43,736 |
| Staffing costs | 57,374 | 75,224 | 46,450 |
| Student allowance | 682,315 | 947,835 | 933,397 |
| Student tuition | 397,108 | 366,404 | 355,060 |
| Summer/winter games | - | 27,025 | 29,430 |
| Supplies | 160,346 | 252,198 | 456,027 |
| Telephone and internet | 80,147 | 70,968 | 106,012 |
| Training | 43,292 | 282,195 | 171,850 |
| Transportation | - | 7,057 | 4,822 |
| Travel - medical transportation | 40,000 | 70,001 | 74,399 |
| Travel, meetings, per diems | 966,123 | 1,071,975 | 1,451,511 |
| Unexpended funds not recognized in prior year | - | 8,847 | - |
| Utilities | 77,281 | 333,286 | 314,374 |
| Vehicle | - | - | 48,104 |
| Wages and benefits | 2,496,647 | 3,559,157 | 3,532,939 |
| Write off of old accounts payable | - | (67,500) | (62,175) |
| Transfer to capital assets | (18,750) | (685,092) | (2,704,691) |
| | \$ 9,748,600 | \$ 19,995,516 | \$ 25,612,360 |

Schedule #1
Cote First Nation
Claims and Indian Government
Schedule of Operations
For the year ended March 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - set | \$ 11,200 | \$ 25,200 | \$ - |
| Cote Legacy Trust | - | 4,916,132 | 10,534,731 |
| Other revenue | - | 9 | 30 |
| Deferred revenue - prior | - | 338,063 | 3,202,355 |
| Deferred revenue - current | - | (319,540) | (338,063) |
| | 11,200 | 4,959,864 | 13,399,053 |
| Expenses | | | |
| Interest and bank charges | - | 3,012 | 4,183 |
| Land | - | - | 100,000 |
| Land purchase transfer to balance sheet | - | - | (100,000) |
| Legacy Trust loan payments - facility #2 | - | 1,332,032 | 3,525,413 |
| Legal | 11,200 | 60,763 | 105,122 |
| Long term debt - interest | - | - | 3,003 |
| Other expenses | - | - | 10,732 |
| Per capita distributions | - | 1,266,731 | 666,475 |
| Per capita distributions - Pelly Haylands | - | - | 3,500 |
| Per capita distributions - repaid to Trust | - | - | 3,500,000 |
| | 11,200 | 2,662,538 | 7,818,428 |
| Current surplus before transfers | - | 2,297,326 | 5,580,625 |
| Transfers | | | |
| Transfers - Community Development | - | 1,277,016 | (3,000,000) |
| Transfers - Indian Government Support | (1,690,000) | (693,825) | - |
| Transfers - Economic Development | - | (1,467,832) | - |
| Transfers - Band Programs | - | (1,385,231) | - |
| Current surplus | \$ (1,690,000) | \$ 27,454 | \$ 2,580,625 |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - fixed | \$ 515,000 | \$ 515,000 | \$ 1,020,177 |
| AANDC - fixed - municipal services | 15,000 | 15,000 | 15,000 |
| AANDC - set | 13,300 | 13,300 | 27,000 |
| AANDC - flexible | 375,259 | 1,327,016 | 247,000 |
| AANDC - flexible - BBC - community buildings | - | 18,577 | - |
| AANDC - flexible - BBC - fire protection | - | 11,547 | - |
| AANDC - flexible - BBC - planning, design & construction | - | 274,119 | - |
| AANDC - flexible - BBC - renovations | - | 19,116 | - |
| AANDC - flexible - BBC - roads & bridges | - | 51,900 | - |
| CMHC - RRAP | - | - | 45,653 |
| Housing rental income | - | 69,232 | 8,340 |
| Yorkton Tribal Council | - | - | 5,694 |
| Insurance proceeds | - | 234,447 | 90,910 |
| Other revenue | - | 193 | 553 |
| Administration fees | - | 825 | 204,461 |
| Deferred revenue - prior | - | 992,065 | 306,344 |
| Deferred revenue - current | - | (451,792) | (992,065) |
| | 918,559 | 3,090,545 | 979,067 |
| Expenses | | | |
| Administration | 27,994 | 27,994 | 26,075 |
| Assistance - special needs | - | - | 775 |
| Assistance to band members | - | 1,141 | 1,067 |
| Community gardens | - | - | 500 |
| Community gatherings | - | - | 4,610 |
| Community wellness | - | 500 | - |
| Consultants and contractors | 10,240 | 739,096 | 2,874,397 |
| Equipment purchases | - | 1,873 | 1,544 |
| Fuel | 5,000 | 18,346 | 13,305 |
| Honorariums | - | 200 | - |
| Insurance | 4,000 | 125,276 | 134,827 |
| Interest and bank charges | - | 134 | 952 |
| Janitorial services | - | 5,290 | 20,972 |
| Lease payments | 14,950 | 14,950 | 36,705 |
| License fees | - | 5,682 | 7,450 |
| Long term debt - interest | - | - | 17,803 |
| Program expenses | - | - | 2,150 |
| Repairs and maintenance | 557,608 | 967,702 | 957,935 |
| Repairs and maintenance - CBS | - | 25,443 | 53,810 |
| Security | - | 330 | 2,677 |
| Supplies | 6,000 | 27,128 | 162,604 |
| Telephone and internet | 4,967 | 9,335 | 9,011 |
| Training | - | 4,385 | 4,367 |
| Travel, meetings, per diems | 3,800 | 106,185 | 122,140 |
| 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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Utilities | 40,000 | 144,958 | 126,068 |
| Wages and benefits | 244,000 | 638,999 | 545,727 |
| Transfer to capital assets | - | (590,273) | (2,561,279) |
| | 918,559 | 2,274,674 | 2,566,192 |
| Current surplus (deficit) before transfers | - | 815,871 | (1,587,125) |
| Transfers | | | |
| Transfer - Claims and Indian Government | - | (1,277,016) | 3,000,000 |
| Transfer - Amortization | - | (430,775) | (430,775) |
| Current surplus (deficit) | \$ - | \$ (891,920) | \$ 982,100 |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Revenue | | | |
| Yorkton Tribal Council | \$ - | \$ 172,082 | \$ 144,100 |
| Cote Band Store - sales | - | - | 1,589,244 |
| Cote Band Store - cost of sales | - | - | (1,529,700) |
| Equity change - Cote Resources Ltd. | - | (661,865) | 758,437 |
| Equity change - Duck Mountain Resorts LP | - | (320,431) | 14,461 |
| Equity change - Cote Markets Ltd. | - | 22,398 | 629,116 |
| Lease revenue - Duck Mountain Resorts | - | 120,000 | 120,000 |
| Other revenue | - | 1,525 | - |
| | - | (666,291) | 1,725,658 |
| Expenses | | | |
| Administration | - | - | 6,850 |
| Business initiatives | - | 518,307 | 699,912 |
| Consultants and contractors | - | 58,397 | 325,588 |
| Cote Band Store | - | 13,110 | 201,937 |
| Economic Development - Businesses | - | 125,000 | - |
| Fuel | - | 24,575 | 16,444 |
| Honorariums | - | 4,400 | 200 |
| Insurance | - | 32,089 | 16,331 |
| Interest and bank charges | - | 1,362 | - |
| Lease payments | - | 16,000 | - |
| License fees | - | - | 8,286 |
| Long term debt - interest | - | - | 12,493 |
| Office equipment | - | - | 4,000 |
| Repairs and maintenance | - | 126,752 | 31,266 |
| Supplies | - | - | 6,456 |
| Telephone and internet | - | 1,988 | 1,108 |
| Travel, meetings, per diems | - | 23,388 | 23,521 |
| Utilities | - | - | 350 |
| Wages and benefits | - | 146,454 | 250,671 |
| Vehicles | - | - | 14,000 |
| Transfer to capital assets | - | - | (55,000) |
| Equipment purchases | - | 650 | 9,000 |
| Loss (gain) on disposal of capital assets | - | (3,800) | - |
| | - | 1,088,672 | 1,573,413 |
| Current surplus (deficit) before transfers | - | (1,754,963) | 152,245 |
| Transfers | | | |
| Transfer - Claims and Indian Government | - | 1,467,832 | - |
| Transfer - Amortization | - | (414,189) | (512,744) |
| Current deficit | \$ - | \$ (701,320) | \$ (360,499) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|------------------|---------------------|---------------------|
| Revenue | | | |
| AANDC - fixed | \$ 2,515,466 | \$ 2,515,466 | \$ 2,510,354 |
| AANDC - set | 172,942 | 172,942 | 194,608 |
| Administration fees | - | - | 37,381 |
| Unexpended funds transferred - prior year | - | 683 | 18,328 |
| | <u>2,688,408</u> | <u>2,689,091</u> | <u>2,760,671</u> |
| Expenses | | | |
| Administration | - | - | 2,529 |
| Advertising, promotions, sponsorships | - | 345 | 1,864 |
| Assistance - special needs | 3,610 | 17,560 | 1,650 |
| Assistance to band members | 2,000 | 22,856 | 77,696 |
| Consultants and contractors | 136,976 | 191,519 | 136,665 |
| Education | 15,000 | 18,519 | 1,800 |
| Fuel | - | 2,341 | - |
| Governance/Policy Development | 60,000 | 35,446 | - |
| Graduation, awards, prizes | 35,580 | 18,868 | 22,671 |
| Honorariums | 16,000 | 16,452 | 30,973 |
| Interest and bank charges | 240 | 1,957 | 290 |
| Other expenses | 10,000 | 37,712 | 15,360 |
| Program expenses | 3,593 | 4,620 | 28,578 |
| Registration fees | 3,000 | 3,335 | 3,150 |
| Repairs and maintenance | - | 1,305 | 250 |
| Student allowance | 682,315 | 801,675 | 776,905 |
| Student tuition | 397,108 | 366,404 | 355,060 |
| Supplies | 96,924 | 109,770 | 130,344 |
| Telephone and internet | 1,680 | 2,633 | 2,779 |
| Training | 15,000 | 24,038 | 9,793 |
| Transportation | - | 7,057 | 4,822 |
| Travel, meetings, per diems | 26,900 | 51,399 | 231,099 |
| Vehicle | - | - | 48,104 |
| Wages and benefits | 1,183,091 | 1,174,125 | 1,196,629 |
| Transfer to capital assets | - | - | (48,104) |
| | <u>2,689,017</u> | <u>2,909,936</u> | <u>3,030,907</u> |
| Current deficit | <u>\$ (609)</u> | <u>\$ (220,845)</u> | <u>\$ (270,236)</u> |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - grant | \$ 434,189 | \$ 434,189 | \$ 434,189 |
| AANDC - fixed | 1,350 | 1,350 | 1,350 |
| AANDC - set | 23,051 | 21,701 | 21,236 |
| AANDC - current year receivable (payable) | - | (4,472) | 465 |
| Onakawek Trust income | - | 517,867 | 1,432,110 |
| Yorkton Tribal Council | - | 19,397 | 27,000 |
| Interest income | - | 21,951 | 24,222 |
| Other revenue | - | 188,062 | 25,956 |
| Administration fees | - | 52,213 | 103,444 |
| Unexpended funds transferred - prior year | - | 8,164 | - |
| | 458,590 | 1,260,422 | 2,069,972 |
| Expenses | | | |
| Administration | 1,350 | 1,350 | - |
| Advertising, promotions, sponsorships | - | - | 325 |
| Consultants and contractors | 25,000 | 22,342 | 31,516 |
| Equipment purchases | - | 2,618 | 5,044 |
| Honorariums | 380,000 | 437,840 | 379,889 |
| Insurance | - | 16,077 | - |
| Interest and bank charges | 20,000 | 29,146 | 44,367 |
| Lease payments | 40,000 | 37,968 | 48,206 |
| License fees | - | - | 1,028 |
| Long term debt - interest | 370,000 | 292,199 | 189,155 |
| Membership dues | - | 339 | 263 |
| Other expenses | - | 20,398 | 9,473 |
| Professional fees | 60,000 | 100,589 | 98,101 |
| Repairs and maintenance | - | - | 9,178 |
| Supplies | 50,000 | 65,503 | 50,110 |
| Telephone and internet | 72,000 | 42,742 | 72,806 |
| Training | 7,500 | 6,626 | 7,340 |
| Travel, meetings, per diems | 800,000 | 659,487 | 886,272 |
| Wages and benefits | 323,051 | 322,463 | 313,110 |
| Write off of old accounts payable | - | (67,500) | (62,175) |
| Transfer to capital assets | - | - | (11,741) |
| | 2,148,901 | 1,990,187 | 2,072,267 |
| Current deficit before unexpended funds | (1,690,311) | (729,765) | (2,295) |
| Unexpended funds | | | |
| Unexpended funds transferred to deferred revenue | - | (8,164) | - |
| Current deficit before transfers | (1,690,311) | (737,929) | (2,295) |
| Transfers | | | |
| Transfer - Claims and Indian Government | 1,690,000 | 693,825 | - |
| Current deficit | \$ (311) | \$ (44,104) | \$ (2,295) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - fixed | \$ 92,665 | \$ 92,665 | \$ 123,266 |
| Unexpended funds transferred - prior year | - | - | 2,375 |
| | 92,665 | 92,665 | 125,641 |
| Expenses | | | |
| Consultants and contractors | - | - | 81,315 |
| Cultural programs | - | 550 | 301 |
| Equipment purchases | 18,750 | 18,750 | - |
| Honorariums | - | 100 | 50 |
| Insurance | - | 418 | - |
| License fees | - | - | 50 |
| Repairs and maintenance | - | 2,624 | - |
| Supplies | - | 2,259 | 100 |
| Telephone and internet | - | - | 925 |
| Training | - | - | 4,369 |
| Travel, meetings, per diems | 40,000 | 40,237 | 68,712 |
| Wages and benefits | 92,000 | 91,842 | 80,289 |
| Transfer to capital assets | (18,750) | (18,750) | - |
| | 132,000 | 138,030 | 236,111 |
| Current deficit | \$ (39,335) | \$ (45,365) | \$ (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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|--------------------|--------------------|--------------------|
| Revenue | | | |
| AANDC - fixed | \$ 71,899 | \$ 71,899 | \$ 67,392 |
| AANDC - set | 1,236,143 | 1,530,381 | 1,433,567 |
| AANDC - current year receivable (payable) | - | (30,810) | 58,896 |
| Other revenue | 13,330 | - | - |
| | 1,321,372 | 1,571,470 | 1,559,855 |
| Expenses | | | |
| Administration | 5,888 | 4,757 | 5,888 |
| Assistance - basic needs | 872,897 | 1,126,943 | 1,044,878 |
| Assistance - institutional care | - | 49,448 | - |
| Assistance - special needs | 82,440 | 77,680 | 93,046 |
| Assistance to band members | - | - | 2,000 |
| Community expenses | - | - | 5,800 |
| Cultural programs | 70,900 | 67,325 | 61,168 |
| Fuel | - | - | 2,406 |
| Honorariums | - | 400 | - |
| Interest and bank charges | - | 2,652 | 2,601 |
| National Child Benefit | 29,364 | 25,623 | - |
| Program expenses | 59,000 | 68,601 | 201,662 |
| Repairs and maintenance | - | 222 | 293 |
| Senior/Youth programs | - | - | 9,710 |
| Staffing costs | 57,374 | 57,674 | 24,800 |
| Supplies | 2,257 | 9,117 | 4,317 |
| Telephone and internet | 1,500 | 875 | - |
| Travel, meetings, per diems | 11,750 | 29,586 | 24,506 |
| Wages and benefits | 139,625 | 140,383 | 161,387 |
| | 1,332,995 | 1,661,286 | 1,644,462 |
| Current deficit | \$ (11,623) | \$ (89,816) | \$ (84,607) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|-----------------------------|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - fixed | \$ 26,484 | \$ 26,484 | \$ 26,382 |
| Expenses | | | |
| Consultants and contractors | - | - | 1,000 |
| Equipment purchases | - | - | 1,544 |
| Supplies | 2,000 | 3,209 | 399 |
| Telephone and internet | - | 365 | - |
| Training | - | - | 1,482 |
| Travel, meetings, per diems | 5,000 | 5,044 | 4,713 |
| Wages and benefits | 36,500 | 36,648 | 36,562 |
| | 43,500 | 45,266 | 45,700 |
| Current deficit | \$ (17,016) | \$ (18,782) | \$ (19,318) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|-----------------------------|----------------|----------------|----------------|
| Revenue | | | |
| AANDC - set | \$ 25,000 | \$ 25,000 | \$ - |
| Expenses | | | |
| Consultants and contractors | 18,927 | 88,955 | - |
| Training | 6,073 | 28,156 | - |
| Travel, meetings, per diems | - | 357 | - |
| | 25,000 | 117,468 | - |
| Current deficit | \$ - | \$ (92,468) | \$ - |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|--------------------|---------------------|---------------------|
| Revenue | | | |
| Health Canada | \$ 884,347 | \$ 1,047,540 | \$ 853,624 |
| Health Canada - prior period revenue (recovery) | - | (58,620) | (119,892) |
| Yorkton Tribal Council | - | 55,931 | 26,700 |
| Administration fees | - | - | 74,010 |
| Other revenue | - | 1,700 | - |
| Deferred revenue - current | - | (8,473) | - |
| | 884,347 | 1,038,078 | 834,442 |
| Expenses | | | |
| Administration | - | 375 | 69,254 |
| Advertising, promotions, sponsorships | - | 1,029 | - |
| Assistance to band members | - | - | 1,200 |
| Community expenses | 111,496 | 132,080 | 67,272 |
| Consultants and contractors | 90,000 | 207,835 | 101,065 |
| Cultural programs | - | 400 | 16,716 |
| Governance/Policy Development | 16,000 | 15,848 | - |
| Grocery and meal preparation | - | - | 1,100 |
| Honorariums | 1,200 | 1,450 | - |
| Insurance | 8,000 | 11,082 | 9,286 |
| Interest and bank charges | - | 2,533 | 2,676 |
| Lease payments | - | 2,847 | 3,796 |
| License fees | - | 984 | 1,292 |
| Professional fees | 63,032 | 94,854 | - |
| Program expenses | 15,882 | 36,633 | 6,149 |
| Rent | - | 625 | - |
| Repairs and maintenance | 400 | 9,005 | 2,228 |
| Security | - | - | 480 |
| Senior/Youth programs | 7,000 | 7,040 | 34,027 |
| Student allowance | - | - | 520 |
| Supplies | 3,165 | 32,392 | 62,124 |
| Telephone and internet | - | 9,532 | 13,986 |
| Training | 14,719 | 26,578 | 53,460 |
| Transfer to capital assets | - | (9,344) | (28,567) |
| Travel - medical transportation | 40,000 | 55,962 | 53,053 |
| Travel, meetings, per diems | 78,673 | 115,177 | 69,057 |
| Utilities | - | 8,773 | 6,234 |
| Vehicles | - | - | 11,841 |
| Wages and benefits | 450,780 | 528,963 | 485,634 |
| | 900,347 | 1,292,653 | 1,043,883 |
| Current deficit | \$ (16,000) | \$ (254,575) | \$ (209,441) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Restated |
|---|----------------|----------------|------------------|
| Revenue | | | |
| CMHC - subsidy | \$ - | \$ 747,782 | \$ 749,917 |
| Housing rental income | - | 187,492 | 411,770 |
| Interest income | - | 533 | - |
| Other revenue | - | - | 5,396 |
| | - | 935,807 | 1,167,083 |
| Expenses | | | |
| Consultants and contractors | - | - | (285) |
| Insurance | - | 181,193 | 82,675 |
| Interest and bank charges | - | 3,185 | 6,604 |
| Long term debt - interest | - | 215,272 | 265,120 |
| Professional fees | - | 18,500 | 18,500 |
| Repairs and maintenance | - | 315,534 | 241,330 |
| Utilities | - | - | 195 |
| Wages and salaries | - | - | 802 |
| | - | 733,684 | 614,941 |
| Current surplus before transfers | - | 202,123 | 552,142 |
| Transfers | | | |
| Transfer - Amortization | - | (507,968) | (507,968) |
| Current surplus (deficit) | \$ - | \$ (305,845) | \$ 44,174 |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|------------------|------------------|------------------|
| Revenue | | | |
| Ottawa Trust Funds | \$ - | \$ 507,092 | \$ 225,390 |
| Yorkton Tribal Council | - | 171,940 | 227,860 |
| First Nations Trust | 1,041,373 | 1,289,429 | 1,339,340 |
| Painted Hand Development Corporation | - | 230,971 | 35,456 |
| Other revenue | 5,708 | 116,314 | 108,693 |
| Interest income | 500,000 | 43 | - |
| Administration fees | - | 11,420 | 93,925 |
| | 1,547,081 | 2,327,209 | 2,030,664 |
| Expenses | | | |
| Administration | - | - | 38,277 |
| Advertising, promotions, sponsorships | - | 62,769 | 357,014 |
| Assistance to band members | 114,700 | 655,860 | 951,624 |
| Bad debts | 71,500 | - | - |
| Capital expenditures | - | - | 12,667 |
| Charitable expense | 150,000 | 155,615 | - |
| Community expenses | 935,000 | 1,209,750 | 705,590 |
| Cultural programs | 110,000 | 107,033 | 88,839 |
| Fuel | - | 4,992 | 37,294 |
| Governance/Policy Development | 76,000 | 116,161 | - |
| Graduation, awards, prizes | 20,000 | 22,103 | 17,750 |
| Honorariums | - | 2,200 | 2,674 |
| Insurance | - | 25,586 | 21,010 |
| Interest and bank charges | - | 1,449 | 930 |
| Lease payments | - | 1,850 | - |
| License fees | - | 3,637 | 4,047 |
| Other expenses | - | - | 29,900 |
| Per capita distributions - Pelly Haylands | - | 3,000 | 6,000 |
| Unexpended funds not recognized in prior year | - | 8,847 | - |
| Program expenses | - | 52,093 | 41,184 |
| Property taxes | - | 18,786 | - |
| Recreational activities | 5,000 | 66,193 | 90,679 |
| Repairs and maintenance | - | 93,188 | 78,598 |
| SIGA | - | 21,650 | - |
| Security | - | - | 942 |
| Senior/Youth programs | - | 58,701 | - |
| Staffing costs | - | 17,550 | 21,650 |
| Student allowance | - | 146,160 | 155,972 |
| Summer/winter games | - | 27,025 | 29,430 |
| Supplies | - | 2,820 | 39,574 |
| Telephone and internet | - | 3,500 | 5,398 |
| Training | - | 192,412 | 91,040 |
| Travel - medical transportation | - | 14,039 | 21,346 |
| Travel, meetings, per diems | - | 41,117 | 21,489 |
| 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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Utilities | 37,281 | 179,555 | 181,527 |
| Wages and benefits | 27,600 | 479,271 | 462,124 |
| Transfer to capital assets | - | (66,725) | - |
| | 1,547,081 | 3,728,187 | 3,514,569 |
| Current deficit before transfers | - | (1,400,978) | (1,483,905) |
| Transfers | | | |
| Transfer - Claims and Indian Government | - | 1,385,231 | - |
| Current deficit | \$ - | \$ (15,747) | \$ (1,483,905) |

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, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|----------------|----------------|----------------|
| Revenue | \$ - | \$ - | \$ - |
| Expenses | | | |
| Community buildings | - | 360,885 | 360,885 |
| Capital equipment | - | 414,189 | 512,744 |
| Housing | - | 69,890 | 69,890 |
| CMHC operations (section 95) | - | 507,968 | 507,968 |
| | - | 1,352,932 | 1,451,487 |
| Current deficit before transfers | - | (1,352,932) | (1,451,487) |
| Transfers | | | |
| Transfer - Programs | - | 1,352,932 | 1,451,487 |
| Current surplus | \$ - | \$ - | \$ - |

The accompanying notes are an integral part of the financial statements