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Muskoday First Nation

Consolidated Financial Statements
March 31, 2014

AGNDG 88 895K 2014 SEP 11
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

September 10, 2014


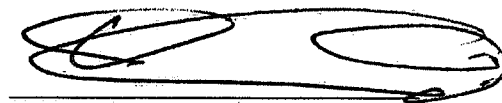
To the Members of
Muskoday First Nation

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

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

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

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


Chief
Band Administrator

September 10, 2014

**To the Members of
Muskoday First Nation**

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

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Muskoday First Nation as at March 31, 2014 and the consolidated results of operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other matter

The supplementary information contained in the accompanying schedules is presented for purposes of additional information to the membership and Aboriginal Affairs and Northern Development Canada and does not form part of the consolidated financial statements. The schedules have not been audited other than in the course of our audit of the consolidated financial statements to the extent necessary to allow us to render an opinion thereon.

PricewaterhouseCoopers LLP

Chartered Accountants


Muskoday First Nation

Consolidated Statement of Financial Position

As at March 31, 2014

	2014 \$	2013 \$
Financial Assets		
Portfolio investments (note 3)	4,925,673	4,887,804
Other investments (note 5)	385,953	421,669
Accounts receivable (note 4)	1,339,770	1,166,624
Restricted cash – reserves and trust	36,699	54,894
	<u>6,688,095</u>	<u>6,530,991</u>
Financial Liabilities		
Bank indebtedness (note 6)	222,937	294,700
Accounts payable and accrued liabilities	593,411	402,604
Notes payable and long-term debt (note 6)	981,604	1,424,246
Deferred revenue – other (note 8)	734,374	572,020
Deferred capital contribution (note 8)	656,529	683,884
	<u>3,188,855</u>	<u>3,377,454</u>
Net Financial Assets	<u>3,499,240</u>	<u>3,153,537</u>
Non-Financial Assets		
Tangible capital assets (note 16)	18,748,124	19,443,072
Inventories	165,984	248,211
Prepaid expenses	165,290	226,097
	<u>19,079,398</u>	<u>19,917,380</u>
Accumulated surplus	<u>22,578,638</u>	<u>23,070,917</u>
Contingencies and commitments (note 9)		

Approved by the Board of Directors



Director



Director

The accompanying notes are an integral part of these consolidated financial statements.

Muskoday First Nation

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2014

	Budget \$ (Unaudited)	2014 \$	2013 \$
Annual deficit	(624,013)	(492,279)	(863,605)
Acquisition of tangible capital assets	-	(180,271)	(658,364)
Amortization of tangible capital assets	-	875,219	968,774
Decrease in inventories	-	82,227	70,079
Decrease in prepaid expenses	-	60,807	7,654
	-	837,982	388,143
Net change in net financial assets	(624,013)	345,703	(475,462)
Net financial assets – Beginning of year	3,153,537	3,153,537	3,628,999
Net financial assets – End of year	2,529,524	3,499,240	3,153,537

The accompanying notes are an integral part of these consolidated financial statements.

Muskoday First Nation

Consolidated Statement of Operations

For the year ended March 31, 2014

	Budget \$ (Unaudited)	2014 \$	2013 \$
Revenue			
Aboriginal Affairs and Northern Development Canada	5,625,814	6,159,301	6,375,806
Gas bar sales	4,458,086	4,475,591	4,358,498
Fuel/tobacco tax fund	1,181,964	1,256,724	1,275,416
Saskatoon Tribal Council Health & Family Services Inc.	903,247	1,067,123	1,044,068
Other revenue	686,553	279,073	668,950
First Nation Trust – gaming	-	662,797	649,772
Saskatoon Tribal Council Inc.	82,750	509,676	436,580
Band leases	400,000	470,590	419,930
Recreation	100,000	129,074	129,977
Interest	3,000	123,955	126,251
Saskatoon Tribal Council donations and reimbursements	73,860	72,304	65,430
Health Canada	9,045	175,777	59,804
Rent	14,016	53,016	45,863
Canada Mortgage and Housing Corporation	-	33,948	-
Province of Saskatchewan	-	21,000	34,737
Dividend income (net of foreign taxes)	15,000	22,723	20,889
Deferred revenue – prior year	-	577,277	396,796
Deferred revenue – current year	-	(851,214)	(577,277)
Deferred capital contribution – current year	-	(656,529)	(683,884)
Deferred capital contribution – prior year	-	683,884	712,379
Dakota Dunes Community Development Corporation	30,000	379,761	139,635
	<u>13,583,335</u>	<u>15,645,851</u>	<u>15,699,620</u>
Expenses			
Other programs	6,845,993	7,265,616	7,202,938
Education	2,546,793	3,161,365	3,318,397
Indian Government support	1,465,462	1,096,770	1,350,636
Health	1,069,315	1,125,131	1,202,718
Social development	1,103,124	1,021,832	1,165,503
Community development	1,118,000	1,467,237	1,177,180
Economic development	58,661	124,960	177,079
	<u>14,207,348</u>	<u>15,262,911</u>	<u>15,594,451</u>
Operating surplus (deficit) before amortization	(624,013)	382,940	105,169
Amortization	-	875,219	968,774
Annual deficit	(624,013)	(492,279)	(863,605)
Accumulated surplus – Beginning of year	<u>23,070,917</u>	<u>23,070,917</u>	<u>23,934,522</u>
Accumulated surplus – End of year	<u>22,446,904</u>	<u>22,578,638</u>	<u>23,070,917</u>

The accompanying notes are an integral part of these consolidated financial statements.

Muskoday First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2014

	2014 \$	2013 \$
Cash provided by (used in)		
Operating activities		
Annual deficit	(492,279)	(863,605)
Item not affecting cash		
Amortization of capital assets	875,219	968,774
Net change in non-cash items on statement of financial position		
Accounts receivable	(173,146)	248,082
Inventories	82,227	70,079
Prepaid expenses	60,807	7,654
Accounts payable and accrued charges	190,807	(11,273)
Deferred revenue – other	162,354	175,124
Deferred capital contribution	(27,355)	(28,765)
	<u>678,634</u>	<u>566,070</u>
Capital activities		
Acquisition of tangible capital assets	<u>(180,271)</u>	<u>(658,364)</u>
Investing activities		
Purchase of portfolio investments	(37,869)	(322,079)
Transfers from restricted cash – reserves and trust fund	18,195	17,379
Decrease (increase) in other investments	<u>35,716</u>	<u>(72,243)</u>
	<u>16,042</u>	<u>(376,943)</u>
Financing activities		
Proceeds from debt issued	90,000	635,000
Debt repayments	<u>(532,642)</u>	<u>(256,715)</u>
	<u>(442,642)</u>	<u>378,285</u>
Net change in cash	<u>71,763</u>	<u>(90,952)</u>
Net cash – Beginning of year	<u>(294,700)</u>	<u>(203,748)</u>
Net cash – End of year	<u>(222,937)</u>	<u>(294,700)</u>
Supplemental disclosure of cash flow information		
Cash paid during the year for		
Interest	<u>44,242</u>	<u>54,587</u>

The accompanying notes are an integral part of these consolidated financial statements.

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1 Reporting entity

The Muskoday First Nation (the "First Nation") is organized under Treaty No. 6 and administered under the Indian Act, 1985.

2 Summary of accounting policies

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public accounting standards requires management to make estimates and assumptions that affect the reported amount 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. Items requiring the use of significant estimates include the useful life of tangible capital assets and provisions for uncollectible accounts receivable. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

Revenue recognition

Funding received under the terms of an agreement is recognized as revenue when related expenditures are made or the balance of funding is receivable. Other revenues are recognized as services are provided.

Portfolio investments

Portfolio investments are carried at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

Other investments

Other investments are carried at the lower of cost and fair market value.

Inventories

Inventories are carried at the lower of cost and market value.

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis. Inter-organizational balances and transactions are eliminated upon consolidation. Entities consolidated in the Muskoday First Nation's financial

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

statements include: Muskoday First Nation – Store and Gas Bar and Treaty General, Health and Revenue fund and Land Entitlement Trust.

Tangible capital assets

Tangible capital assets are recorded at acquisition or development cost.

Amortization is based on their estimated useful life using the following methods, term and rates:

Housing	5% declining balance
Buildings	4 – 5% declining balance
Community infrastructure	5% declining balance
Equipment	20 – 30% declining balance
Paving	4% declining balance
School	5% declining balance
Vehicles	30% declining balance

CMHC project transactions

Excess subsidies and surplus repayments determined in accordance with CMHC housing project agreements are charged directly to accumulated surplus.

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

Financial instruments

The First Nation recognizes and measures its financial assets and liabilities as follows: cash, accounts receivable, restricted cash reserves and trust, bank indebtedness, portfolio investments, other investments, notes payable and long-term debt, other deferred revenue, deferred capital contribution, due from related parties, accounts payable and accrued liabilities are initially recorded at fair value. All financial assets and liabilities are subsequently measured at amortized cost. Interest attributable to financial instruments is reported in the statement of operations. Financial assets are tested for impairment at the end of each reporting period when there are indications that an asset may be impaired. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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Notes to Consolidated Financial Statements

March 31, 2014

3 Portfolio investments

	2014 \$	2013 \$
Short-term investments (market value – \$208,587)	208,587	193,678
Fixed income investments (market value – \$4,045,212)	3,960,687	3,993,855
Marketable securities (market value – \$962,774)	756,399	700,271
	<u>4,925,673</u>	<u>4,887,804</u>

4 Accounts receivable

	2014 \$	2013 \$
Saskatoon District Tribal Council (STC)	580,614	674,723
Aboriginal Affairs and Northern Development Canada (AANDC)	100,039	633
Health Canada	4,253	6,991
Land/farming leases	139,898	111,201
Accrued interest	26,066	27,108
Other	447,989	347,438
Store and gas bar – Band receivables	42,863	542
	<u>1,341,722</u>	<u>1,168,636</u>
Less: Allowance for doubtful accounts	<u>(1,952)</u>	<u>(2,012)</u>
	<u>1,339,770</u>	<u>1,166,624</u>

5 Other investments

	2014 \$	2013 \$
Dakota Dunes Hotel	185,675	111,675
Other equity investments	200,278	309,994
	<u>385,953</u>	<u>421,669</u>

In prior years, the First Nation established a joint venture operation of MFN & MB Holdings Inc. The joint venture has been effectively dissolved in the year. As a result the First Nation has recognized the investment in the building and equipment as an equity investment. This is based upon the fact that this property is being rented with the associated rental income addressing the liabilities associated with this property. The liabilities consisting of a bank loan are disclosed within the long-term debt section of the notes.

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Notes to Consolidated Financial Statements

March 31, 2014

6 Bank indebtedness and debt

	2014 \$	2013 \$
Mortgage payable in monthly payments of \$821 including interest at 5.79%, due February 1, 2016 (#09-633-108)	17,885	26,391
Mortgage payable in monthly payments of \$539 including interest at 5.79%, due March 1, 2017 (#09-633-116)	17,837	23,072
Canadian Imperial Bank of Commerce, payable in annual instalments of \$146,000, blended principal and interest at prime plus 1% (4%), due April 2014 (#6304052)	62,343	124,687
Canadian Imperial Bank of Commerce, payable in annual instalments of \$6,200, blended principal and interest at prime plus 1% (4%), due April 2020 (#6305156)	43,400	49,600
Canadian Imperial Bank of Commerce, payable in annual instalments of \$61,625, blended principal and interest at prime plus 1% (4%), due April 2014 (#6305059)	61,625	123,250
Canadian Imperial Bank of Commerce, payable in monthly instalments of \$1,643, interest at prime plus 1% (4%), due May 2024	200,184	219,994
Canadian Imperial Bank of Commerce, payable in annual instalments of \$4,800, interest at prime plus 1% (4%), due April 2021 (#6305253)	38,400	43,200
Canadian Imperial Bank of Commerce, payable in annual instalments of \$22,264, interest at prime plus 1% (4%), due May 2016 (#6304451)	66,788	89,052
Canadian Imperial Bank of Commerce, payable in annual instalments of \$20,000, interest at prime plus 1%, due April 2022 (#6305350)	180,000	200,000
Canadian Imperial Bank of Commerce, payable in annual instalments of \$27,858, interest at prime plus 1%, due April 2019 (#6304559)	167,142	195,000
Canadian Imperial Bank of Commerce, payable in annual instalments of \$33,334, interest at prime plus 1%, due September 2013 (#6306055)	-	200,000
Canadian Imperial Bank of Commerce, payable in annual instalments of \$4,000, interest at prime plus 1%, due April 2022 (#6305458)	36,000	40,000
Loan payable, PADC Management Company, non interest bearing loan, payable in annual instalments of \$45,000, due October, 2012	-	90,000
Canadian Imperial Bank of Commerce, payable in annual instalments of \$40,000, blended principal and interest at prime plus 1% (4%), due April 11, 2014 (#6305652)	40,000	-
Canadian Imperial Bank of Commerce, payable in annual instalments of \$16,667, blended principal and interest at prime plus 1% (4%), due April 16, 2016 (#6305555)	50,000	-
	<u>981,604</u>	<u>1,424,246</u>

The mortgages are secured by a guarantee of Aboriginal Affairs and Northern Development Canada. Security on loan #6304052 consists of a general security agreement over all personal property of the First Nation and an assignment of the present flexible transfer agreement and renewals thereof.

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Notes to Consolidated Financial Statements

March 31, 2014

The estimated principal repayments due in each of the next five years are as follows:

	\$
2015	292,262
2016	121,878
2017	120,127
2018	75,902
2019	76,434
Thereafter	295,094

The First Nation has lines of credit available for use in the General Fund to a maximum of \$100,000 and for use of the Muskoday Store & Gas Bar to a maximum of \$100,000. Interest is charged at prime (3% at March 31, 2014). The lines of credit are secured by a general security agreement and a Band Council Resolution authorizing AANDC to forward all present and future funding of the First Nation.

7 Appropriated surplus

	2014 \$	2013 \$
CMHC Replacement Reserve and CMHC Subsidy Surplus Reserve		
Balance – Beginning of year	38,060	65,373
Allocation from general	-	(27,313)
Interest earned	-	-
	<hr/>	<hr/>
Balance – End of year	38,060	38,060
Funds held in Trust		
Balance – Beginning of year	-	899
Interest earned	-	-
Transfers to First Nation	-	(899)
	<hr/>	<hr/>
Balance – End of year	-	-
	<hr/>	<hr/>
	38,060	38,060

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

8 Deferred revenue

	Balance at March 31, 2013 \$	Funding received \$	Revenue recognized \$	Balance at March 31, 2014 \$
Federal government Other projects	572,020	273,937	(111,583)	734,374
Provincial government Capital projects	683,884	-	(27,355)	656,529
	1,255,904	273,937	(138,938)	1,390,903
	Balance at March 31, 2012 \$	Funding received \$	Revenue recognized \$	Balance at March 31, 2013 \$
Federal government Other projects	366,128	255,513	(49,621)	572,020
Provincial government Capital projects	712,379	-	(28,495)	683,884
Other projects	30,668	-	(30,668)	-
	1,109,175	255,513	(108,784)	1,255,904

9 Contingencies and commitments

Pursuant to housing contracts with Canada Mortgage and Housing Corporation and in accordance with Section 56.1, Assistance of Northern Housing Act, the First Nation may be liable for the repayment of subsidy funds received in excess of allowed expenses. As the adjustment is based on a review by Canada Mortgage and Housing Corporation, the amount cannot be determined at this time. Repayments will be reflected as adjustments to surplus balances in the fiscal year in which they are repaid.

The First Nation has agreed to purchase 200,000 shares in Dakota Dunes Hotel Ltd. for \$200,000 representing a 20% equity interest in the corporation. Dakota Dunes Hotel Ltd. is a general partner of Dakota Dunes Hotel Limited Partnership. Dakota Dunes Hotel Limited Partnership is a limited partnership the First Nation has agreed to enter into in which the First Nation is to subscribe for partnership units in the amount of \$1,600,000 representing a 20% ownership interest in the limited partnership. As of March 31, 2014, \$111,675 was paid relating to these agreements.

A variety of contingencies exist that relate to various First Nation administrative and economic development activities. While the potential outcomes of these contingencies are not determinable at this time, management

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

estimates that the eventual settlement will not result in significant impact to the First Nation's financial position or operations.

10 Economic dependence

The First Nation's existence as a going concern is dependent upon its ability to receive continued financial support from its funding agencies. If, as a result of a default or otherwise, the support of Aboriginal Affairs and Northern Development Canada is withdrawn, the First Nation may be unable to continue realizing its assets and discharging its liabilities in the normal course of business. These consolidated financial statements have been prepared on the basis that the First Nation will receive continued financial support.

11 Budget amounts

The First Nation's management prepares all the budget amounts disclosed in the consolidated financial statements. These amounts are presented for information purposes and have not been audited.

12 Comparative figures

Certain prior years' figures have been reclassified to conform to the current year's presentation.

13 Remeasurement gains and losses

There is no remeasurement gains and losses reported.

14 Risk management

Credit risk

The First Nation's financial assets, including accounts receivable, are not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the First Nation will not be able to meet its financial obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price. The First Nation is exposed to liquidity risk as a result of being economically dependent on funding from Aboriginal Affairs and Northern Development Canada. The First Nation approach to managing liquidity is to ensure that it has sufficient cash flows available to fund its operations and to meet its obligations when due, under both normal and stressed conditions.

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

15 Expense type

	Budget \$	2014 \$	2013 \$
Administration fees	128,185	55,162	65,848
Adult care	153,494	95,681	107,215
Amortization	-	875,219	968,774
Bad debt	16,180	1,007	71,703
Contingency	20,150	38,407	80,537
Contracts	230,954	260,482	308,152
Cost of goods sold	4,941,720	4,891,243	4,816,462
Cultural and special events	52,973	138,640	238,293
Early childhood intervention	13,644	14,858	8,379
Early learning and child care program	42,431	150	-
Elders	68,199	71,822	65,651
Environmental screening	75,000	170	736
Equipment	128,934	132,458	135,840
Family violence programs	-	-	8,477
Fire department	32,080	33,173	89,765
Focus on Families programs	119,118	86,842	87,471
Garbage	18,000	11,940	16,383
Governance	256,244	267,236	259,862
Grants and donations	16,900	15,858	40,737
Individual leases	68,197	116,131	68,533
Insurance	88,468	214,372	234,957
Interest and bank charges	70,471	47,952	73,152
Economic development	209,090	75,000	3,400
Living allowances	456,871	326,817	405,674
Low income family support	5,000	4,310	30,330
Materials and supplies	399,108	586,565	272,997
Meetings and honorariums	28,275	78,750	48,541
Member distribution	-	86,108	105,192
Muskoday Organic Growers Co-operative Ltd.	25,000	-	-
Non-recurring expenses	-	137,782	110,000
Other	392,674	161,843	193,314
Professional fees	108,715	169,751	213,360
Projects	48,923	51,674	86,767
Recreation	200,000	334,002	444,057
Repairs and maintenance	251,897	297,558	194,764
Salaries and benefits	3,720,291	4,006,001	4,209,163
Seniors' fuel allowance	-	23,450	22,225
Sewer and water	45,000	62,158	49,403
Special needs	72,496	105,756	111,537
STC service agreement	48,935	51,435	60,111
Subsistence	540,506	588,027	586,527
Training and workshops	72,487	103,111	109,967
Travel	154,418	186,222	210,884
Treaty land entitlement	-	33,920	62,092
Tuition and books	591,438	638,232	682,101
Utilities	294,882	339,456	325,994
Water purchase	-	321,399	277,897
	<u>14,207,348</u>	<u>16,138,130</u>	<u>16,563,224</u>

The budget figures presented do not include budgeted expenses of Muskoday store and gas bar operations.

Muskoday First Nation

Notes to Consolidated Financial Statements

March 31, 2014

16 Tangible capital assets

	Cost				2014 Accumulated amortization			
	Beginning of year \$	Additions \$	Disposals \$	End of year \$	Beginning of year \$	Amortization \$	End of year \$	Net \$
Housing	10,514,261	109,933	-	10,624,194	4,465,758	307,922	4,773,680	5,850,514
Buildings	2,140,356	-	-	2,140,356	532,648	77,914	610,562	1,529,794
Community infrastructure	6,086,786	50,400	-	6,137,186	3,650,436	124,337	3,774,773	2,362,413
Equipment and tools	1,223,135	4,443	-	1,227,578	978,006	69,613	1,047,619	179,959
Heavy equipment	548,904	-	-	548,904	410,184	41,616	451,800	97,104
Paving	18,000	-	-	18,000	8,820	367	9,187	8,813
School	5,808,189	-	-	5,808,189	1,948,718	192,974	2,141,692	3,666,497
Vehicles	346,136	15,495	-	361,631	168,104	58,059	226,163	135,468
CMHC housing	750,979	-	-	750,979	702,644	2,417	705,061	45,918
Land	4,871,644	-	-	4,871,644	-	-	-	4,871,644
	32,308,390	180,271	-	32,488,661	12,865,318	875,219	13,740,537	18,748,124

	Cost				2013 Accumulated amortization			
	Beginning of year \$	Additions \$	Disposals \$	End of year \$	Beginning of year \$	Amortization \$	End of year \$	Net \$
Housing	10,289,021	225,240	-	10,514,261	4,147,416	318,342	4,465,758	6,048,503
Buildings	1,911,324	229,032	-	2,140,356	450,796	81,852	532,648	1,607,708
Community infrastructure	6,086,786	-	-	6,086,786	3,522,207	128,229	3,650,436	2,436,350
Equipment and tools	1,221,385	1,750	-	1,223,135	879,460	98,546	978,006	245,129
Heavy equipment	548,904	-	-	548,904	350,733	59,451	410,184	138,720
Paving	18,000	-	-	18,000	8,437	383	8,820	9,180
School	5,808,189	-	-	5,808,189	1,745,588	203,130	1,948,718	3,859,471
Vehicles	143,793	202,343	-	346,136	91,805	76,299	168,104	178,032
CMHC housing	750,979	-	-	750,979	700,100	2,544	702,644	48,335
Land	4,724,369	147,275	-	4,871,644	-	-	-	4,871,644
	31,502,750	805,640	-	32,308,390	11,896,542	968,776	12,865,318	19,443,072

Muskoday First Nation

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Land represents land purchases made using Treaty Land Entitlement settlement dollars pursuant to the Treaty Land Entitlement Agreement. This land is held in fee simple until it achieves reserve status by way of declaration by the Governor General of Canada. At this time the land will be removed from the financial statements of the First Nation.

17 Segment disclosure

The First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by department. The segments of the First Nation and the services provided by each are as follows:

- Indian government support – handles the finances and administration of the First Nation including support to Chief and Council and all other departments. The department provides internal support and central services to ensure the efficient and effective operations of the First Nation.
- Education – provides a variety of services for students from nursery school to a complete grade 12 that meets all provincial criteria with a cultural influence that reflects the First Nation's identity. The department includes a nutrition program, student counselling services, a resource centre, a Cree language and culture program, and a community school program.
- Community development– this department includes operating and maintenance of various facilities operated by the First Nation. Additionally this department includes capital and water projects.
- Economic Development – represents a variety of programs aimed at improving the economic environment in the community.
- Social Development–various social initiatives including adult care that require government funding.
- Health – offers community based programs aimed towards the well-being and health of the First Nation's residents. The First Nation operates home and community care programs, prevention programs and other community based health initiatives.
- Justice – handles the major justice activities, including the police management board and other justice initiatives operated by the First Nation.
- Band owned – represents a variety of band owned activities and economic development initiatives, including the Muskoday Store and Gas Bar, and revenue from the First Nation's revenue fund.

For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Summary of Significant Accounting Policies. Segment results are as follows:

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17 Segment disclosure

	Indian Government Support			Education			Community Development		
	Budget			Budget			Budget		
	2014	2014	2013	2014	2014	2013	2014	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Band leases	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	(182,478)	(205,069)	-	(88,140)	(4,442)	-	27,355	28,495
Federal Government Transfers	1,078,861	1,216,890	1,336,421	2,384,554	2,592,221	2,518,994	1,055,108	1,222,353	1,409,645
First Nations Trust	-	-	-	-	-	-	-	-	-
Gas Bar Revenues	-	-	-	-	-	-	-	-	-
Other Revenue	371,903	5,531	276,149	56,250	52,411	227,045	22,892	79,701	10,531
Provincial Government Transfers	-	-	-	-	-	-	-	-	-
Saskatoon Tribal Council Health & Family Services Inc.	-	-	-	-	-	-	-	-	-
Saskatoon Tribal Council Inc.	-	22,921	1,697	45,000	363,456	282,097	-	-	2,500
	<u>1,450,764</u>	<u>1,062,864</u>	<u>1,409,198</u>	<u>2,485,804</u>	<u>2,919,948</u>	<u>3,023,694</u>	<u>1,078,000</u>	<u>1,329,409</u>	<u>1,451,171</u>
Expenses									
Administration fees	66,546	33,916	22,723	-	-	-	6,584	-	-
Amortization	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	10,000	236	-	-	-	-
Materials and supplies	37,500	146,942	77,601	93,430	156,682	113,984	217,500	194,616	36,393
Meetings and Honorariums	8,900	47,372	15,162	6,175	15,659	16,078	3,600	3,099	3,000
Other Expenditures	289,624	130,748	152,984	307,928	287,509	262,336	64,808	64,679	113,732
Professional fees	32,000	55,189	96,872	10,000	19,132	1,819	-	-	1,924
Program Costs	5,473	591	256,018	917,338	975,294	1,010,075	-	-	-
Repairs and maintenance	11,827	203	-	-	-	-	191,000	286,033	169,744
Salaries and benefits	888,239	570,120	599,646	1,122,302	1,592,239	1,808,891	501,408	486,386	458,892
Training and workshops	28,153	3,672	9,497	5,500	8,311	14,004	2,500	1,006	2,851
Travel	70,000	74,509	86,412	19,120	45,947	45,028	11,400	8,509	11,184
Utilities	27,200	33,508	33,721	55,000	60,356	46,182	119,200	422,899	379,459
	<u>1,465,462</u>	<u>1,096,770</u>	<u>1,350,636</u>	<u>2,546,793</u>	<u>3,161,365</u>	<u>3,318,397</u>	<u>1,118,000</u>	<u>1,467,237</u>	<u>1,177,180</u>
Surplus (deficit) for the year	<u>(14,698)</u>	<u>(33,906)</u>	<u>58,562</u>	<u>(60,989)</u>	<u>(241,417)</u>	<u>(294,703)</u>	<u>(40,000)</u>	<u>(137,828)</u>	<u>273,991</u>

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17 Segment disclosure (continued)

	Economic Development			Social Development			Health		
	Budget			Budget			Budget		
	2014	2014	2013	2014	2014	2013	2014	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Band leases	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	(3,319)	(1,638)	-	-	-
Federal Government Transfers	58,661	58,661	56,443	994,136	1,048,630	1,002,165	63,539	230,271	111,942
First Nations Trust	-	-	-	-	-	-	-	-	-
Gas Bar Revenues	-	-	-	-	-	-	-	-	-
Other Revenue	-	31	1,150	54,494	417	6,126	40,810	55,973	97,818
Provincial Government Transfers	-	-	-	-	-	-	-	-	-
Saskatoon Tribal Council Health & Family Services Inc.	-	-	-	-	-	-	903,247	1,067,123	1,044,068
Saskatoon Tribal Council Inc.	-	93,688	99,541	-	-	834	-	-	-
	58,661	152,380	157,134	1,048,630	1,045,728	1,007,487	1,007,596	1,353,367	1,253,828
Expenses									
Administration fees	-	-	-	-	-	-	40,023	-	33,790
Amortization	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Materials and supplies	-	189	-	-	-	-	28,862	71,119	33,889
Meetings and Honorariums	3,000	-	-	-	-	-	3,000	4,800	4,487
Other Expenditures	15,000	10,470	13,281	167,494	31,338	158,460	55,082	54,565	76,816
Professional fees	-	-	-	-	-	-	21,000	20,000	28,333
Program Costs	-	14,645	-	779,140	773,796	792,749	184,921	135,943	184,965
Repairs and maintenance	40,661	-	-	-	-	-	727	3,640	871
Salaries and benefits	-	33,616	123,472	54,845	55,329	54,158	647,882	745,845	738,015
Training and workshops	-	66,040	36,213	1,537	2,710	13,585	33,418	20,444	25,913
Travel	-	-	4,133	10,108	4,699	6,064	37,400	43,489	49,827
Utilities	-	-	-	90,000	153,960	140,487	17,000	25,276	25,812
	58,661	124,960	177,079	1,103,124	1,021,832	1,165,503	1,069,315	1,125,131	1,202,718
Surplus (deficit) for the year	-	27,420	(19,945)	(54,494)	23,896	(158,016)	(61,719)	228,236	51,110

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17 Segment disclosure (continued)

	Justice			Band - Owned		
	Budget			Budget		
	2014	2014	2013	2014	2014	2013
	\$	\$	\$	\$	\$	\$
Revenues						
Band leases	-	-	-	400,000	470,590	419,930
Deferred Revenue	-	-	-	-	-	30,668
Federal Government Transfers	-	-	-	-	-	-
First Nations Trust	-	-	-	-	662,797	648,772
Gas Bar Revenues	-	-	-	5,640,050	5,732,315	5,633,914
Other Revenue	18,328	2,014	22,600	380,644	863,828	555,576
Provincial Government Transfers	-	21,000	34,737	-	-	-
Saskatoon Tribal Council Health & Family Services Inc.	-	-	-	-	-	-
Saskatoon Tribal Council Inc.	37,750	29,611	49,911	-	-	-
	-	-	-	-	-	-
	<u>56,078</u>	<u>52,625</u>	<u>107,248</u>	<u>6,420,694</u>	<u>7,729,530</u>	<u>7,289,860</u>
	-	-	-	-	-	-
Expenses						
Administration fees	-	-	-	15,032	21,246	9,335
Amortization	-	-	-	-	-	-
Cost of sales	-	-	-	4,941,720	4,891,243	4,816,462
Insurance	-	-	-	78,468	214,136	234,957
Materials and supplies	1,000	1,589	397	20,816	15,428	10,733
Meetings and Honorariums	3,600	7,820	21,043	63,699	-	49,137
Other Expenditures	-	17,000	-	837,972	947,719	967,446
Professional fees	-	-	-	45,715	75,430	86,336
Program Costs	-	-	-	285,423	506,866	486,081
Repairs and maintenance	39,705	39,829	38,201	7,682	7,682	24,149
Salaries and benefits	-	-	-	465,910	482,627	414,888
Training and workshops	1,000	749	769	379	179	7,135
Travel	3,500	6,169	5,095	2,890	2,890	3,141
Utilities	-	-	-	31,482	27,014	27,633
	-	-	-	-	-	-
	<u>48,805</u>	<u>73,156</u>	<u>65,505</u>	<u>6,797,188</u>	<u>7,192,480</u>	<u>7,137,433</u>
	-	-	-	-	-	-
Surplus (deficit) for the year	<u>7,273</u>	<u>(20,531)</u>	<u>41,743</u>	<u>(376,494)</u>	<u>537,070</u>	<u>152,427</u>