

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

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**Consolidated Financial Statements**  
*March 31, 2015*

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

The accompanying consolidated financial statements are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative accounting 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 to review the financial statements and the external auditors' 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.

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Signature on file

Pasqua First Nation

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July 29, 2015

Date

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

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## **Independent Auditors' Report**

To the Members of  
**Pasqua First Nation**

We have audited the accompanying consolidated financial statements of Pasqua 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 audit opinion.

### *Opinion*

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

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**Regina, Saskatchewan**  
**July 28, 2015**

**Chartered Professional Accountants**

**Pasqua First Nation**  
**Consolidated Statement of Financial Position**  
*March 31, 2015*

	2015	2014
		Restated
<b>Financial Assets</b>		
Cash (Note 3)	\$ -	\$ 1,611,230
Restricted cash - capital projects (Note 3)	112,157	259,424
Restricted cash - CMHC reserves (Note 3)	483,604	468,908
Funds held in trust by federal government (Note 4)	113,040	177,562
Accounts receivable (Note 5)	313,033	272,471
Due from related parties (Note 7)	27,930	-
Portfolio investments (Note 8)	81,519	81,519
Investment in related business entities (Note 9)	60,336	-
	<hr/>	<hr/>
	1,191,619	2,871,114
<b>Liabilities</b>		
Bank indebtedness (Note 3 and 10)	222,273	-
Accounts payable (Note 11)	422,796	959,578
Deferred revenue - unexpended funds (Note 12)	40,200	103,173
Deferred revenue (Note 13)	78,742	1,036,890
Due to related parties (Note 7)	-	2,103
Current portion of CMHC mortgages (Note 15)	332,947	317,020
Current portion of long-term debt (Note 14)	562,147	617,902
Long-term debt (Note 14)	1,415,098	984,050
CMHC mortgages (Note 15)	5,179,294	5,253,778
	<hr/>	<hr/>
	8,253,497	9,274,494
<b>Net debt</b>	<b>(7,061,878)</b>	<b>(6,403,380)</b>
<b>Non-financial Assets</b>		
Capital assets (Note 16)	25,199,261	25,269,644
Prepaid expenses (Note 17)	59,747	4,482
Inventory (Note 18)	64,137	58,129
	<hr/>	<hr/>
	25,323,145	25,332,255
<b>Accumulated Surplus</b> (Note 19)	<b>\$ 18,261,267</b>	<b>\$ 18,928,875</b>

**Approved on behalf of the Pasqua First Nation:**

Signature on file, **Chief**

Signature on file, **Councilor**

The accompanying notes are an integral part of the financial statements

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

	2015 Budget	2015 Actual	2014 Restated
<b>Revenue</b>			
AANDC - grant	\$ 382,998	\$ 382,998	\$ 382,998
AANDC - fixed	2,454,239	2,342,183	2,780,423
AANDC - set	1,208,384	1,207,560	1,238,778
AANDC - flexible	395,533	486,741	100,000
AANDC - receivable (payable)	3,589	(38,855)	1,337
AANDC - prior period revenue (recovery)	(70,294)	(56,323)	-
Health Canada	462,284	475,172	464,724
Health Canada - recovered	-	-	(14,685)
CMHC	473,178	567,220	372,027
Funds earned & held in trust by federal government	120,000	55,478	236,207
Public Safety Canada	-	-	11,264
Government of Saskatchewan	211	211	1,250
FHQ Tribal Council	295,018	303,466	273,679
First Nations Trust	710,158	710,158	729,509
CDC revenue	91,329	112,913	77,324
FSIN	66,928	66,928	-
Keseechiwan Holdings LP	-	70,000	60,000
Pasqua Legacy Trust - settlement distribution	-	-	3,934,914
Pasqua Legacy Trust - annual income - note 28	-	-	533,742
Pasqua Treaty Land Entitlement - annual income	-	174,801	263,792
Pasqua TLE Holdings Inc - annual income	-	155,356	171,486
Paskwa Pit Stop (sales less cost of sales)	-	439,213	458,584
Equity gain in related business entities	-	60,336	-
Rental income	243,673	157,111	113,799
Interest revenue	9,062	9,553	10,698
Other revenue	1,615,211	378,733	838,983
Administration fees - note 2.1	116,543	122,949	261,835
Unexpended funds transferred - prior year	-	103,173	-
Deferred revenue - prior year	-	1,036,890	996,441
Deferred revenue - current year	-	(78,742)	(1,036,890)
	8,578,044	9,245,223	13,262,219
<b>Expenses</b>			
Claims and Indian Government (Schedule 1)	-	602,125	3,475,867
Community Infrastructure (Schedule 2)	1,809,827	1,829,421	1,626,483
Economic Development (Schedule 3)	86,411	97,856	93,911
Education (Schedule 4)	2,368,500	2,452,767	2,366,487
Indian Government Support (Schedule 5)	1,173,218	1,078,436	1,254,718
Land Management (Schedule 6)	-	-	-
Social Development (Schedule 7)	836,714	882,532	796,257
Health Canada (Schedule 8)	488,119	510,515	488,061
CMHC Operations (Schedule 9)	596,569	327,797	335,329
Band Projects (Schedule 10)	1,827,764	1,894,228	2,001,285
Amortization (Schedule 11)	-	1,025,251	1,019,673
	9,187,122	10,700,928	13,458,071

The accompanying notes are an integral part of the financial statements

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

	2015 Actual	2014 Actual
<b>Current deficit before other items</b>	(609,078)	(1,455,705)
<b>Other items</b>		
Unexpended funds transferred to deferred revenue	-	(40,200)
Land contributed by Pasqua TLE Trust	-	828,300
	-	788,100
<b>Current surplus (deficit)</b>	<b>\$ (609,078)</b>	<b>\$ (667,605)</b>
	<b>\$ 625,976</b>	

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Accumulated Surplus**  
*For the year ended March 31, 2015*

	2015	2014
		Restated
<b>Surplus at beginning of year</b>	\$ 18,928,873	\$ 18,302,897
<b>Current surplus (deficit)</b>	(667,605)	625,976
<b>Surplus at end of year</b>	<u>\$ 18,261,268</u>	<u>\$ 18,928,873</u>

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The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Change in Net Debt**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Restated
<b>Current surplus (deficit)</b>	\$ (609,078)	\$ (667,605)	\$ 625,976
Acquisition of tangible capital assets (Note 16)	-	(980,901)	(2,125,593)
<u>Amortization of tangible capital assets (Note 16)</u>	<u>-</u>	<u>1,051,281</u>	<u>1,047,552</u>
	-	70,380	(1,078,041)
Acquisition of prepaid asset (Note 17)	(59,747)	(59,747)	(4,482)
<u>Use of prepaid asset (Note 17)</u>	<u>4,482</u>	<u>4,482</u>	<u>24,533</u>
	(55,265)	(55,265)	20,051
Acquisition of inventory (Note 18)	(64,137)	(64,137)	(58,129)
<u>Use of inventory (Note 18)</u>	<u>58,129</u>	<u>58,129</u>	<u>64,410</u>
	(6,008)	(6,008)	6,281
Decrease in net financial assets	(670,351)	(658,498)	(425,733)
<b>Net debt at beginning of year</b>	<b>-</b>	<b>(6,403,380)</b>	<b>(5,977,647)</b>
<b>Net debt at end of year</b>	<b>\$ -</b>	<b>\$ (7,061,878)</b>	<b>\$ (6,403,380)</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2015*

	2015	2014 Restated
<b>Cash flows from Operating activities</b>		
Current surplus (deficit)	\$ (667,605)	\$ 625,976
Items not affecting cash		
Amortization	1,025,251	1,019,673
Amortization - Paskwa Pit Stop	26,030	27,879
Land contribution from Pasqua TLE Trust	(828,300)	(925,000)
	(444,624)	748,528
Change in non-cash operating working capital		
Accounts receivable	(40,562)	19,779
Inventory	(6,008)	6,281
Prepaid expenses	(55,265)	20,051
Accounts payable	(536,783)	35,702
Deferred revenue - unexpended funds	(62,973)	103,173
Deferred revenue	(958,148)	40,449
	(2,104,363)	973,963
<b>Capital activities</b>		
Purchase of capital assets	(152,599)	(1,200,594)
<b>Financing activities</b>		
Due to related parties	(30,033)	(28,645)
CMHC mortgage proceeds	262,723	1,251,990
CMHC mortgage repayment	(321,280)	(248,044)
Long-term debt proceeds	1,116,203	4,822,302
Long-term debt repayment	(740,911)	(4,608,609)
	286,702	1,188,994
<b>Investing activities</b>		
Restricted cash - Funds held in trust by federal government	64,522	(141,008)
Restricted cash - CMHC reserves	(14,696)	6,061
Restricted cash - capital projects	147,267	241,626
(Gain) Loss on investments	(60,336)	5,000
	136,757	111,679
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(1,833,503)</b>	<b>1,074,042</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,611,230</b>	<b>537,188</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ (222,273)</b>	<b>\$ 1,611,230</b>

The accompanying notes are an integral part of the financial statements

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**1. General**

The Pasqua First Nation is an Indian Band subject to the provisions of the Indian Act. These financial statements include the Pasqua First Nation government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. These financial statements do not include the Treaty Land Entitlement (TLE) Trust or the Pasqua First Nation Legacy Trust; separate audited financial statements are prepared for these Trusts.

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

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

**(a) Short term investments**

Short term investments consist of GICs stated at cost.

**(b) Reporting entity**

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

**(c) Principles of consolidation**

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of 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 Pasqua 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 Pasqua First Nation.

Organizations consolidated in Pasqua First Nation's financial statements include:  
Paskwa Pit Stop

Organizations accounted for on a modified equity basis include:  
TLE Holdings Ltd.

**(d) Asset classification**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

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

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

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

**(f) Cash and cash equivalents**

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

**(g) 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 Pasqua 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	5 years Straight line
Vehicles / Office equipment	3 years Straight line
CMHC - houses	25 years Straight line
Roads	40 years Straight line
Infrastructure	40 years Straight line
Band houses	20 years Straight line
Fibre optic cable	8 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Pasqua 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.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

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

**(h) Portfolio investments**

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

**(i) 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.

**(j) 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.

**(k) Segments**

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

For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

**(l) 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."

**(m) Revenue recognition**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

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

**(n) Recognition of expenses**

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

**(o) Comparative figures**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**3. Cash and cash equivalents**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Pasqua 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. Cash and cash equivalents is comprised of the following:

	2015	2014
<b>Cash</b>		
Band operations (overdraft)	\$ (439,585)	\$ 229,679
Gaming	163,380	125,582
TLE operating	1,648	134,711
TLE revenue	52,169	176,114
Pasqua Flood Claim	67	6,219
PFN Legacy Trust revenue account	60	533,668
Flood Claim per capita account	(12)	405,257
	<hr/> (222,273)	<hr/> 1,611,230
<b>Restricted cash - capital projects</b>		
Chief Paskwa Education Centre	19,412	53,032
High School Construction	23,606	3,107
FNIF Road Construction	69,139	203,285
	<hr/> 112,157	<hr/> 259,424
<b>Restricted cash - CMHC</b>		
Replacement reserve	29,164	17,787
Operating reserve	37,814	34,496
Replacement reserve GIC's	416,626	416,625
	<hr/> 483,604	<hr/> 468,908
<b>Funds held in trust by federal government</b>		
Funds held in trust by federal government	113,040	177,562
	<hr/> \$ 486,528	<hr/> \$ 2,517,124

**Pasqua 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	\$ 166,016	\$ 11,545	\$ 177,561	\$ 36,554
Withdrawals	(120,000)	-	(120,000)	(95,200)
Lease revenue	51,235	-	51,235	217,354
Interest earnings	3,422	-	3,422	3,645
Other	822	-	822	15,209
<b>Surplus, end of year</b>	<b>\$ 101,495</b>	<b>\$ 11,545</b>	<b>\$ 113,040</b>	<b>\$ 177,562</b>

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

**5. Accounts receivable**

	2015	2014
<b>Due from members</b>		
Advances	\$ 35,941	\$ 45,771
SA client Advances	15,971	15,971
<b>Total due from members</b>	<b>51,912</b>	<b>61,742</b>
<b>Due from others</b>		
Paskwa Pit Stop receivables	17,972	74,299
FHQ Tribal Council	150,326	43,758
Others	116,424	95,024
<b>Total due from others</b>	<b>284,722</b>	<b>213,081</b>
<b>Due from government and other government organizations</b>		
AANDC	26,260	49,467
CMHC Subsidy	36,714	34,756
<b>Total due from government and other government organizations</b>	<b>62,974</b>	<b>84,223</b>
<b>Allowance for doubtful accounts</b>	<b>399,608</b>	<b>359,046</b>
<b>Total accounts receivable</b>	<b>\$ 313,033</b>	<b>\$ 272,471</b>

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**6. AANDC accounts receivable**

	2015	2014
Band Employee Benefits	\$ -	\$ 22,211
Basic Needs	- -	4,656
First Nation & Inuit Training (Trades Training Partnership)	- -	5,000
Business Development (Asham's Beach Project)	- -	17,600
Institutional Care	26,260	-
	<hr/> \$ 26,260	<hr/> \$ 49,467

**7. Due to / from related parties**

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

	2015	2014
TLE Holdings Inc.	\$ 27,930	\$ -
PFN Group of Companies	- -	(2,103)
	<hr/> \$ 27,930	<hr/> \$ (2,103)

**8. Portfolio investments**

	2015	2014
Kinookimaw Beach Association	\$ 579	\$ 579
IMI Brokerage Company Ltd	20,000	20,000
First Nations Bank	940	940
Keseechiwan Holding LP (8.3% ownership)	60,000	60,000
	<hr/> \$ 81,519	<hr/> \$ 81,519

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**9. Investments in government business enterprises**

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

The First Nation commenced operations in the PFN Group of Companies Inc. in the current year. The first year end was December 31, 2014.

	Pasqua TLE Holdings Inc.	PFN Group of Companies Inc.	2015 Total	2014 Total
Cash	\$ 9,858	\$ -	\$ 9,858	\$ 159,739
Accounts receivable	30,215	11,820	42,035	-
Due from Pasqua First Nation	-	52,758	52,758	-
<b>Total assets</b>	<b>\$ 40,073</b>	<b>\$ 64,578</b>	<b>\$ 104,651</b>	<b>\$ 159,739</b>

Accounts payable	\$ 12,143	\$ 4,242	\$ 16,385	\$ 25,862
Due to Pasqua First Nation	27,930	-	27,930	133,877
<b>Total liabilities</b>	<b>40,073</b>	<b>4,242</b>	<b>44,315</b>	<b>159,739</b>
<b>Equity</b>	<b>-</b>	<b>60,336</b>	<b>60,336</b>	<b>-</b>
<b>Total liabilities and equity</b>	<b>\$ 40,073</b>	<b>\$ 64,578</b>	<b>\$ 104,651</b>	<b>\$ 159,739</b>

	Pasqua TLE Holdings Inc.	PFN Group of Companies Inc.	2015 Total	2014 Total
Revenue	\$ 196,857	\$ 375,645	\$ 572,502	\$ 155,575
Expenses	41,501	315,309	356,810	26,488
Transfer to Pasqua First Nation	155,356	-	155,356	129,087
<b>Total expenses</b>	<b>196,857</b>	<b>315,309</b>	<b>512,166</b>	<b>155,575</b>
<b>Net income</b>	<b>\$ -</b>	<b>\$ 60,336</b>	<b>\$ 60,336</b>	<b>\$ -</b>

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
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**10. Bank indebtedness**

The band has an approved operating line of credit in the amount of \$120,000 with interest payable at 8% and an additional \$190,000 overdraft protection with interest payable at 24%. On March 31, 2015 the general operating account was overdrawn by \$405,284 and cheques issued in excess of deposits of \$96,802. The payroll account was overdrawn by \$17,926.

**11. Accounts payable**

	2015	2014
<b>Due to others</b>		
Paskwa Pit Stop payables	\$ 106,663	\$ 53,102
General suppliers	239,951	826,404
Pension	16,327	19,171
Group insurance	252	191
Capital projects	5,000	19,643
 Total due to others	 368,193	 918,511
 <b>Due to government and other government organizations</b>		
AANDC	39,072	21,529
Canada Revenue Agency	15,531	19,538
 Total due to government and other government organizations	 54,603	 41,067
 Total accounts payable	 \$ 422,796	 \$ 959,578

**12. Deferred revenue - unexpended funds**

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

	2015	2014
Last Mountain IR #80A Claim	\$ -	\$ 51,973
National Child Benefit Reinvestment (NCBR)	-	11,000
First Nation & Inuit Training (Trades Training Partnership)	5,000	5,000
Business Development (Asham's Beach Project)	35,200	35,200
 \$ 40,200	 \$ 103,173	

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
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**13. Deferred revenue**

	March 31, 2014	Funding received, 2015	Revenue recognized, 2015	March 31, 2015
<b>Federal government</b>				
Subdivision	\$ 7,717	\$ -	\$ -	\$ 7,717
School Drainage	42,570	-	3,120	45,690
Lagoon Expansion	43,000	169,183	(212,183)	-
Road / flood repairs	131,910	-	(106,575)	25,335
	<hr/> 225,197	<hr/> 169,183	<hr/> (315,638)	<hr/> 78,742
<b>Other</b>				
TLE Administration	40,046	-	(40,046)	-
Pasqua First Nation Legacy Trust	771,647	-	(771,647)	-
	<hr/> 811,693	<hr/> -	<hr/> (811,693)	<hr/> -
<b>Total</b>	<b><hr/>\$ 1,036,890</b>	<b><hr/>\$ 169,183</b>	<b><hr/>\$ (1,127,331)</b>	<b><hr/>\$ 78,742</b>

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
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**14. Long-term debt**

	2015	2014
Peace Hills Trust #6 - New Housing Loan Term Loan - bearing interest at 6.50%, annual blended payment of \$105,000, maturing June 1, 2015, secured by assignment of First Nations Trust, AANDC and assets of Band store.	\$ 106,079	\$ 202,428
Peace Hills Trust #30 - CMHC Replacement Reserve Term Loan - bearing interest at 4.50%, quarterly blended payments of \$11,150, maturing July 1, 2018, secured by assignment of First Nations Trust, AANDC, FHQ Tribal Council and assets of Band store.	145,706	183,190
Peace Hills Trust #35 - Flood Claim and Debt Consolidation Term Loan - bearing interest at 3.75%, monthly blended payments of \$5,050, maturing March 1, 2017, secured by assignment of First Nations Trust, AANDC and assets of Band store.	116,057	-
Peace Hills Trust #34 - Classroom, Post Secondary & Ratification Term Loan - bearing interest at 6.00%, quarterly blended payments of \$102,000, maturing July 1, 2018, secured by assignment of First Nations Trust, AANDC and assets of Band store.	1,252,547	933,180
Peace Hills Trust #32 - Premium Gas Tank - Paskwa Pit Stop Term loan bearing interest at 6.00%, monthly blended payments of \$1,933, maturing December 1, 2017, secured by assignment of First Nations Trust, AANDC, FHQ Tribal Council and assets of Band store.	57,224	76,468
Peace Hills Trust #33 - Trust settlement Term Loan - bearing interest at 4.50%, quarterly interest payments and quarterly principle payments of \$28,125, maturing July 1, 2018, secured by assignment of First Nations Trust, AANDC, and assets of Band store.	-	206,686
Peace Hills Trust #36 - Railway Claim and Debt Consolidation Term Loan - approved facility agreement \$100,000, partially disbursed, bearing interest at 3.75%, monthly interest payments, maturing September 1, 2016, secured by assignment of First Nations Trust, AANDC, and assets of Band store.	17,805	-
Peace Hills Trust #37 - Surrender Claim and Debt Consolidation Term Loan - approved facility agreement \$675,000, partially disbursed, bearing interest at 3.75%, monthly interest payments, maturing September 1, 2016, secured by assignment of First Nations Trust, AANDC, and assets of Band store.	281,827	-
 <u>Current portion</u>	 1,977,245	 1,601,952
 <u>Total</u>	 562,147	 617,902
 <hr/>	 <hr/>	 <hr/>
	\$ 1,415,098	\$ 984,050

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**14. Long-term debt, continued**

	2015	2014
Principal portion of long-term debt due within the next five years:		
2016	\$ 562,147	
2017	791,034	
2018	446,047	
2019	178,017	
	<hr/> <hr/> \$ 1,977,245	

	2015	2014
Interest expense for the year on long-term debt	<hr/> <hr/> \$ 101,716	\$ 130,516

**15. CMHC mortgages**

	Phase number	Maturity date	Interest rate	Monthly payment	2015	2014
Peace Hills Trust	1	10/1/2018	5.34%	\$ 2,948	\$ 115,775	\$ 144,370
Peace Hills Trust	2	3/1/2017	5.24%	1,645	37,652	55,034
Peace Hills Trust	3	4/1/2018	5.14%	1,530	52,444	67,786
CMHC	4	6/1/2015	2.76%	667	37,438	44,329
CMHC	5	6/1/2015	2.76%	706	39,654	46,953
CMHC	6	8/1/2015	2.69%	1,741	187,491	203,181
CMHC	7	9/1/2017	1.71%	997	133,934	143,539
CMHC	8	3/1/2018	1.62%	1,074	150,418	160,807
CMHC	9	2/1/2020	1.12%	1,249	205,017	216,551
CMHC	10	6/1/2016	2.63%	3,955	454,251	489,432
CMHC	11	6/1/2016	2.37%	5,832	949,272	996,397
CMHC	12	6/1/2017	1.65%	1,835	330,618	347,079
CMHC	13	6/1/2017	1.65%	3,669	661,337	694,257
CMHC	14	1/1/2019	2.11%	8,576	1,924,167	1,861,431
CMHC	15	8/1/2019	1.85%	1,041	232,775	99,651
CMHC					<hr/> <hr/> 5,512,243	5,570,797
Less current portion					332,949	317,019
					<hr/> <hr/> \$ 5,179,294	\$ 5,253,778

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**16. Tangible capital assets**

	Cost	Additions	Accumulated amortization	2015 Net book value
Land	\$ 7,381,000	\$ 828,300	\$ -	\$ 8,209,300
Buildings	9,953,788	-	4,927,242	5,026,546
Equipment	620,743	52,501	605,627	67,616
Vehicles	360,750	-	346,545	14,205
CMHC - houses	9,229,281	84,029	2,926,045	6,387,265
Roads	1,639,635	-	196,033	1,443,602
Infrastructure	3,351,258	-	1,087,176	2,264,082
Band houses	10,224,556	-	8,639,788	1,584,767
Paskwa Pit Stop	563,674	16,069	377,866	201,877
	<b>\$ 43,324,685</b>	<b>\$ 980,899</b>	<b>\$ 19,106,322</b>	<b>\$ 25,199,260</b>
	Cost	Additions	Accumulated amortization	2014 Net book value
Land	\$ 6,456,000	\$ 925,000	\$ -	\$ 7,381,000
Buildings	9,953,788	-	4,566,187	5,387,601
Equipment	620,743	-	572,006	48,736
Vehicles	323,965	36,785	323,061	37,689
CMHC - houses	8,065,471	1,163,809	2,549,675	6,679,606
Roads	1,639,635	-	155,042	1,484,593
Infrastructure	3,351,258	-	1,010,644	2,340,614
Band houses	10,224,556	-	8,526,590	1,697,965
Paskwa Pit Stop	563,674	-	351,836	211,838
	<b>\$ 41,199,090</b>	<b>\$ 2,125,594</b>	<b>\$ 18,055,041</b>	<b>\$ 25,269,642</b>

**17. Prepaid expenses**

	2015	2014
Insurance	\$ 14,481	\$ -
Student allowance	39,495	-
Other	550	-
Paskwa Pit Stop - other	5,221	4,482
<b>Total</b>	<b>\$ 59,747</b>	<b>\$ 4,482</b>

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**18. Inventory**

	2015	2014
Paskwa Pit Stop	\$ 64,137	<u>\$ 58,129</u>

**19. Accumulated surplus**

	2015	2014
		Restated
Invested in tangible capital assets	\$ 19,523,717	\$ 19,419,950
Funds held in trust by federal government	113,040	177,562
Portfolio investments	81,519	81,519
CMHC reserves	794,908	654,563
Operating surplus (deficit)	<u>(2,251,917)</u>	<u>(1,404,719)</u>
	<u>\$ 18,261,267</u>	<u>\$ 18,928,875</u>

**20. Prior period adjustment**

Prior period adjustments were made regarding the purchase of land contributed by the Pasqua First Nation Treaty Land Entitlement Trust. This restatement resulted in an increase in capital assets of \$7,381,000 and an increase in accumulated surplus of \$7,381,000.

**21. Revenue, expenditures and surplus (deficit) by segment**

	Revenue	Expenditures	Transfers	Surplus (deficit)
Claims and Indian Government	771,647	602,125	(184,933)	(15,411)
Community Infrastructure	1,220,773	1,829,422	254,909	(353,740)
Economic Development	82,061	97,857	4,488	(11,308)
Education	2,229,093	2,452,768	5,665	(218,010)
Indian Government Support	589,443	1,078,436	474,349	(14,644)
Social Development	824,695	882,532	1,242	(56,595)
Health Canada	492,479	510,514	(25,543)	(43,578)
CMHC Operations	582,299	327,797	(376,370)	(121,868)
Band Projects	3,240,832	1,894,228	(1,179,058)	167,546
Amortization	-	1,025,251	1,025,251	-
	<u>10,033,322</u>	<u>10,700,930</u>	<u>-</u>	<u>(667,608)</u>

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

## 22. AANDC funding reconciliation

	2015	2014
AANDC confirmation	\$ 4,441,693	\$ 4,973,088
Less : AANDC paid to TLE Trust	-	(441,164)
Prior period revenue (recovery)		
P&ID project	-	(4,000)
Band Employee Benefits	(22,211)	-
Specific Claims	(51,973)	-
Economic Development - Potash	(4,350)	-
Band Employee Benefits	-	(29,725)
Current year receivable (payable)		
Band Employee Benefits	(16,920)	-
Basic Needs	(1,090)	-
Special Needs	(19,162)	-
Home Care	(1,242)	-
NCB	(658)	-
Institutional Care	217	-
	<hr/>	<hr/>
	\$ 4,324,304	\$ 4,498,199

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**23. Government Transfers**

	2015		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 3,837,563	\$ 486,741	\$ 4,324,304
Health Canada	475,172	-	475,172
Canada Mortgage and Housing Corporation	567,220	-	567,220
<b>Total</b>	<b>4,879,955</b>	<b>486,741</b>	<b>5,366,696</b>
<b>Provincial government transfers</b>			
	211	-	211
	<b>\$ 4,880,166</b>	<b>\$ 486,741</b>	<b>\$ 5,366,907</b>
	2014		
	Operating	Capital	Total
<b>Federal government transfers</b>			
Aboriginal Affairs and Northern Development Canada	\$ 4,403,537	\$ 100,000	\$ 4,503,537
Health Canada	450,039	-	450,039
Canada Mortgage and Housing Corporation	372,027	-	372,027
<b>Total</b>	<b>5,225,603</b>	<b>100,000</b>	<b>5,325,603</b>
<b>Provincial government transfers</b>			
	1,250	-	1,250
	<b>\$ 5,226,853</b>	<b>\$ 100,000</b>	<b>\$ 5,326,853</b>

**24. Contingent liabilities**

Pasqua 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, Pasqua 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 Pasqua First Nation's financial statements. The First Nation is currently not involved in any legal actions that are likely to result in a potential liability and no liabilities have been recorded in these financial statements.

**25. Reserves**

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts; as of March 31, 2015 the reserves were under funded by \$311,305 (2014 - \$185,655).

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**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**

Pasqua First Nation does not provide extended health, dental and life insurance benefits to qualifying retirees and their surviving spouses from the date of retirement.

**Pension plan**

Pasqua First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5.5% of their salary. Pasqua First Nation contributes a matching portion which is directed to the member's contribution account. Pasqua 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 Pasqua 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.

**28. Pasqua First Nation Legacy Trust**

Pasqua First Nation has been negotiating with Canada to settle a claim related to improper alienation of reserve land and damage due to flooding dating back to 1942. The final settlement was signed on March 6, 2014 for total compensation of \$26,008,664 less negotiation costs of \$5,386,386. The Pasqua First Nation Legacy Trust was established to manage the remaining \$20,622,278.

The Annual Income as defined in the Trust Agreement is payable to the First Nation. In the settlement year the annual payment was due seven days after the "compensation date" and April 1st every year thereafter. The annual payment received April 1, 2015 was \$682,549 and will be recorded as revenue in the next fiscal year.

**29. Pasqua TLE Holdings Inc.**

A total of 8,991 acres (8,571 - 2014) of land have been purchased for a total of \$8,209,300 (\$7,381,000 - 2014) and are being held in trust by Pasqua TLE Holdings Inc. until such time as they are converted to reserve status.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**30. Trusts under administration**

Pasqua First Nation holds assets in trust; these assets are managed by an appointed trustee and are not included on the statement of financial position as assets of Pasqua First Nation. The equity amounts held in trust at the year-end are the following:

	2015	2014
Pasqua First Nation Treaty Land Entitlement Trust	\$ 1,256,949	\$ 2,099,003
<u>Pasqua First Nation Legacy Trust</u>	<u>17,058,615</u>	<u>16,110,196</u>
	<u><u>\$ 18,315,564</u></u>	<u><u>\$ 18,209,199</u></u>

Pasqua First Nation Treaty Land Entitlement Trust - held in trust with Royal Trust Corporation of Canada.  
Pasqua First Nation Legacy Trust - held in trust with Peace Hills Trust.

**31. Economic dependence**

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

**32. Subsequent events**

There are no subsequent events to report.

**33. Budgeted figures**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

### **34. 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.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

### **35. Segmented information**

As previously discussed in note 2 (h) the First Nation conducts its business through reportable segments as follows:

#### **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.

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
March 31, 2015

**35. Segmented information, continued**

**Land Management:**

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

**Social Development:**

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

**Indian Registration:**

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

**Governance and Institutions of Government:**

Costs associated with Governance and Institution of Government activities.

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

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

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

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

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

**4) Band programs**

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

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**36. Expenses by object**

	2015 Budget	2015 Actual	2014 Actual Restated
Administration	\$ 206,032	\$ 167,606	\$ 411,282
Amortization	-	1,025,251	1,019,673
Assistance - social development	610,632	597,142	532,847
Assistance to band members	192,533	132,133	215,051
Bad debts	-	-	14,199
Band development	-	26,226	-
Bank charges and supplier interest	34,962	40,103	95,347
Consultants and contractors	1,269,145	1,457,678	2,098,922
Cultural programs	308,572	308,683	304,128
Equipment purchases	150	150	40,917
First Nations Trust	166,918	166,918	-
Fuel	84,279	84,546	79,213
Graduation, awards, prizes	37,684	37,684	44,810
Honorariums	169,909	162,312	178,700
Insurance	138,801	118,813	140,791
Janitorial supplies	7,261	7,261	-
K & S potash project	-	-	10,617
Land purchases	-	828,300	925,000
Last Mountain IR#80A claim expenses	-	15,411	43,097
Life / employability skills	(2,541)	6,784	32,425
Long term debt - interest paid	926,722	226,382	244,833
New paths	647	647	-
Other expenses	40,014	207,104	10,921
Outpatient program	3,000	3,115	-
Paskwa Pit Stop	-	349,513	346,523
Per capita distribution	-	16,000	3,194,000
Per capita distribution monies returned to Trust	-	390,000	-
Professional fees	145,551	382,123	342,730
Program expenses	84,473	109,745	107,782
RRAP cost overruns	-	-	34,333
Recreational activities	-	16,000	103,253
Rent - office	-	6,000	12,000
Repairs and maintenance	683,569	688,168	755,427
Student allowance	425,402	385,826	437,652
Supplies	358,049	312,782	314,162

**Pasqua First Nation**  
**Notes to Consolidated Financial Statements**  
*March 31, 2015*

**36. Expenses by object, continued**

	2015 Budget	2015 Actual	2014 Actual
Telephone	13,364	15,064	24,865
Training	17,765	22,953	53,745
Travel - medical transportation	23,120	28,007	24,830
Travel, meetings, per diems	298,362	335,374	366,470
Tuition	231,421	189,225	254,659
Utilities	123,927	115,119	104,378
Wages and benefits	2,565,400	2,654,392	2,643,497
Winter/summer games	21,999	5,968	20,586
Youth	-	23,250	-
<u>Transfer to capital assets</u>	<u>-</u>	<u>(964,830)</u>	<u>(2,125,594)</u>
	<hr/>	<hr/>	<hr/>
	\$ 9,187,122	\$ 10,700,928	\$ 13,458,071

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

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ -	\$ -	\$ 95,070
Pasqua Legacy Trust - settlement distribution	- -	- -	3,934,914
Pasqua Legacy Trust - annual income	- -	- -	533,742
Other revenue	- -	- -	27,000
Deferred revenue - prior year	- -	771,647	343,745
Deferred revenue - current year	- -	- -	(771,647)
	- -	771,647	4,162,824
<b>Expenses</b>			
Bank charges and supplier interest	- -	152	1,251
Consultants and contractors	- -	- -	9,543
Last Mountain IR#80A claim expenses	- -	15,411	43,097
Long term debt - interest paid	- -	- -	54,900
Other expenses	- -	- -	8,250
Per capita distribution	- -	16,000	3,194,000
Professional fees	- -	180,562	105,105
Supplies	- -	- -	6,034
Travel, meetings, per diems	- -	- -	53,687
Per capita distribution monies returned to Trust	- -	390,000	- -
	- -	602,125	3,475,867
<b>Current surplus before other items</b>	- -	169,522	686,957
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	- -	- -	(51,973)
<b>Current surplus before transfers</b>	- -	169,522	634,984
<b>Transfers</b>			
Transfer - Band Projects	- -	(184,933)	(542,849)
<b>Current surplus (deficit)</b>	\$ -	\$ (15,411)	\$ 92,135

The accompanying notes are an integral part of the financial statements

**Schedule #2**  
**Pasqua First Nation**  
**Community Infrastructure**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 504,996	\$ 392,940	\$ 713,286
AANDC - set	-	-	27,000
AANDC - flexible	395,533	486,741	100,000
CMHC	113,632	142,033	24,645
FHQ Tribal Council	-	9,550	9,550
Interest revenue	9,062	9,267	9,880
Other revenue	63,622	33,787	75,578
Deferred revenue - prior year	-	225,197	483,522
Deferred revenue - current year	-	(78,742)	(225,197)
	1,086,845	1,220,773	1,218,264
<b>Expenses</b>			
Administration	-	-	65,255
Bank charges and supplier interest	1,921	2,106	9,866
Consultants and contractors	526,993	724,907	1,492,437
Equipment purchases	150	150	1,432
Fuel	78,697	79,127	77,088
Insurance	52,020	52,020	44,984
Janitorial supplies	7,261	7,261	-
Long term debt - interest paid	105,000	15,767	22,945
RRAP cost overruns	-	-	34,333
Repairs and maintenance	496,393	499,392	558,151
Supplies	63,033	63,018	14,801
Telephone	2,661	2,661	8,236
Training	1,445	1,445	3,750
Travel, meetings, per diems	31,576	31,576	29,392
Tuition	975	-	-
Utilities	66,713	59,033	59,234
Wages and benefits	374,989	374,988	368,390
Transfer to capital assets	-	(84,029)	(1,163,809)
	1,809,827	1,829,422	1,626,485
<b>Current deficit before transfers</b>	<b>(722,982)</b>	<b>(608,649)</b>	<b>(408,221)</b>
<b>Transfers</b>			
Transfer - Band Projects	509,841	604,523	391,211
Transfer - Amortization	(140,386)	(349,614)	(361,369)
<b>Current deficit</b>	<b>\$ (353,527)</b>	<b>\$ (353,740)</b>	<b>\$ (378,379)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #3**  
**Pasqua First Nation**  
**Economic Development**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ -	\$ -	\$ 35,200
AANDC - set	- -	- -	7,500
AANDC - prior period revenue (recovery)	(70,294)	(4,350)	-
FHQ Tribal Council	86,411	86,411	86,411
Unexpended funds transferred - prior year	- -	35,200	-
	<u>16,117</u>	<u>117,261</u>	<u>129,111</u>
<b>Expenses</b>			
Administration	- -	- -	8,641
Assistance to band members	5,143	5,143	13,387
Consultants and contractors	56,779	84,326	56,171
K & S potash project	- -	- -	7,500
Repairs and maintenance	- -	- -	7,130
Supplies	18,408	18,408	260
Travel, meetings, per diems	6,081	6,081	822
Transfer to capital assets	- -	(16,101)	-
	<u>86,411</u>	<u>97,857</u>	<u>93,911</u>
<b>Current surplus before other items</b>	<b>(70,294)</b>	<b>19,404</b>	<b>35,200</b>
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	- -	(35,200)	(35,200)
<b>Current deficit before transfers</b>	<b>(70,294)</b>	<b>(15,796)</b>	<b>-</b>
<b>Transfers</b>			
Transfer - Band Projects	- -	4,488	-
<b>Current deficit</b>	<b>\$ (70,294)</b>	<b>\$ (11,308)</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #4**  
**Pasqua First Nation**  
**Education**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 1,852,169	\$ 1,852,169	\$ 1,856,787
AANDC - set	321,779	321,779	319,628
FHQ Tribal Council	33,207	29,302	15,454
Other revenue	25,843	25,843	-
Unexpended funds transferred - prior year	-	5,000	-
	<b>2,232,998</b>	<b>2,234,093</b>	<b>2,191,869</b>
<b>Expenses</b>			
Administration	67,545	67,643	111,998
Bank charges and supplier interest	232	232	-
Consultants and contractors	215,484	215,364	177,773
Cultural programs	1,477	1,477	-
Equipment purchases	-	-	2,000
Fuel	332	332	1,155
Graduation, awards, prizes	37,384	37,384	41,875
Insurance	5,291	5,291	9,491
Other expenses	40,014	204,449	-
Program expenses	16,240	16,240	-
Repairs and maintenance	13,971	13,752	16,053
Student allowance	425,402	385,826	437,652
Supplies	131,876	133,873	139,264
Telephone	1,075	1,075	4,796
Training	-	-	40,000
Travel, meetings, per diems	35,229	35,217	34,205
Tuition	228,921	187,700	254,401
Utilities	42,459	41,297	39,451
Wages and benefits	1,105,568	1,105,616	1,056,373
	<b>2,368,500</b>	<b>2,452,768</b>	<b>2,366,487</b>
<b>Current deficit before other items</b>	<b>(135,502)</b>	<b>(218,675)</b>	<b>(174,618)</b>
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	-	(5,000)	(5,000)
<b>Current deficit before transfers</b>	<b>(135,502)</b>	<b>(223,675)</b>	<b>(179,618)</b>
<b>Transfers</b>			
Transfer - Band Projects	139,043	223,674	209,144
Transfer - Amortization	-	(218,009)	(218,009)
<b>Current deficit</b>	<b>\$ 3,541</b>	<b>\$ (218,010)</b>	<b>\$ (188,483)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #5**  
**Pasqua First Nation**  
**Indian Government Support**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - grant	\$ 382,998	\$ 382,998	\$ 382,998
AANDC - fixed	48,052	48,052	40,080
AANDC - set	121,384	99,173	107,382
AANDC - receivable (payable)	-	(16,920)	18,211
FSIN	66,928	66,928	-
Interest revenue	-	-	133
Other revenue	31,752	9,152	23,813
Administration fees	(60)	60	21,597
	<b>651,054</b>	<b>589,443</b>	<b>594,214</b>
<b>Expenses</b>			
Administration	1,529	1,529	23,616
Assistance to band members	20,034	13,705	-
Bad debts	-	-	9,199
Bank charges and supplier interest	32,523	32,693	83,474
Consultants and contractors	79,276	60,689	56,895
Equipment purchases	-	-	700
Fuel	96	96	-
Honorariums	111,134	103,537	178,700
Insurance	37,578	17,767	41,031
Other expenses	-	-	1,254
Professional fees	131,848	129,848	139,391
Repairs and maintenance	23,090	18,090	25,891
Supplies	48,941	32,079	54,564
Telephone	7,728	7,728	9,133
Training	9,719	7,407	6,241
Travel, meetings, per diems	169,180	168,974	134,962
Tuition	1,525	1,525	258
Wages and benefits	499,017	482,769	489,407
	<b>1,173,218</b>	<b>1,078,436</b>	<b>1,254,716</b>
<b>Current deficit before transfers</b>	<b>(522,164)</b>	<b>(488,993)</b>	<b>(660,502)</b>
<b>Transfers</b>			
Transfer - Band Projects	213,904	488,993	666,499
Transfer - Amortization	-	(14,644)	(14,643)
<b>Current deficit</b>	<b>\$ (308,260)</b>	<b>\$ (14,644)</b>	<b>\$ (8,646)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #6**  
**Pasqua First Nation**  
**Land Management**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
Deferred revenue - prior year	\$ -	\$ -	\$ 38,901
<b>Expenses</b>			
<b>Current surplus before transfers</b>	- -	- -	38,901
<b>Transfers</b>			
Transfer - Band projects	- -	- -	(38,901)
<b>Current surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements

**Schedule #7**  
**Pasqua First Nation**  
**Social Development**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
AANDC - fixed	\$ 49,022	\$ 49,022	\$ 40,000
AANDC - set	765,221	786,608	777,268
AANDC - receivable (payable)	3,589	(21,935)	(16,873)
Unexpended funds transferred - prior year	-	11,000	-
	<b>817,832</b>	<b>824,695</b>	<b>800,395</b>
<b>Expenses</b>			
Administration	23,242	23,248	31,489
Assistance - social development	610,632	597,142	532,847
Audit	-	2,000	-
Consultants and contractors	55,951	64,686	32,504
Cultural programs	20,021	20,322	21,470
Graduation, awards, prizes	300	300	2,935
Life / employability skills	(2,541)	6,784	32,425
Program expenses	54,956	74,493	80,918
Supplies	4,409	23,812	5,643
Telephone	600	600	600
Training	2,907	2,907	-
Travel, meetings, per diems	6,483	6,483	4,124
Wages and benefits	59,754	59,755	51,301
	<b>836,714</b>	<b>882,532</b>	<b>796,256</b>
<b>Current surplus (deficit) before other items</b>	<b>(18,882)</b>	<b>(57,837)</b>	<b>4,139</b>
<b>Other items</b>			
Unexpended funds transferred to deferred revenue	-	-	(11,000)
<b>Current deficit before transfers</b>	<b>(18,882)</b>	<b>(57,837)</b>	<b>(6,861)</b>
<b>Transfers</b>			
Transfer - Band projects	-	1,242	-
<b>Current deficit</b>	<b>\$ (18,882)</b>	<b>\$ (56,595)</b>	<b>\$ (6,861)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #8**  
**Pasqua First Nation**  
**Health Canada**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
Health Canada	\$ 462,284	\$ 475,172	\$ 450,039
Other revenue	17,310	17,307	3,725
	<b>479,594</b>	<b>492,479</b>	<b>453,764</b>
<b>Expenses</b>			
Administration	37,287	37,310	33,593
Consultants and contractors	42,764	42,694	49,984
Cultural programs	68,009	67,975	77,823
Fuel	2,889	2,774	-
Insurance	-	-	3,800
New paths	647	647	-
Outpatient program	3,000	3,115	-
Program expenses	13,277	13,277	17,285
Repairs and maintenance	956	6,398	4,473
Supplies	23,999	23,999	35,301
Telephone	1,100	1,100	500
Training	1,606	1,606	1,741
Travel - medical transportation	23,120	28,007	24,830
Travel, meetings, per diems	24,589	24,590	32,889
Utilities	10,986	11,020	2,162
Wages and benefits	233,890	246,002	203,679
	<b>488,119</b>	<b>510,514</b>	<b>488,060</b>
<b>Current deficit before transfers</b>	<b>(8,525)</b>	<b>(18,035)</b>	<b>(34,296)</b>
<b>Transfers</b>			
Transfer - Band Projects	-	18,036	12,830
Transfer - Amortization	-	(43,579)	(43,579)
<b>Current deficit</b>	<b>\$ -</b>	<b>\$ (43,578)</b>	<b>\$ (65,045)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #9**  
**Pasqua First Nation**  
**CMHC Operations**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>			
CMHC	\$ 359,546	\$ 425,187	\$ 347,382
Rental income	243,673	157,112	113,799
Other revenue	-	-	29,491
	<b>603,219</b>	<b>582,299</b>	<b>490,672</b>
<b>Expenses</b>			
Administration	38,510	-	40,310
Bank charges and supplier interest	286	468	20
Consultants and contractors	-	13,982	4,174
Insurance	36,400	36,400	36,400
Long term debt - interest paid	368,722	124,666	114,317
Professional fees	12,203	16,000	12,120
Repairs and maintenance	140,448	136,281	127,988
	<b>596,569</b>	<b>327,797</b>	<b>335,329</b>
<b>Current surplus before transfers</b>	<b>6,650</b>	<b>254,502</b>	<b>155,343</b>
<b>Transfers</b>			
Transfer - Amortization	-	(376,370)	(366,317)
<b>Current deficit</b>	<b>\$ 6,650</b>	<b>\$ (121,868)</b>	<b>\$ (210,974)</b>

The accompanying notes are an integral part of the financial statements

**Schedule #10**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual Restated
<b>Revenue</b>			
Funds earned & held in trust by federal government	\$ 120,000	\$ 55,478	\$ 236,207
FHQ Tribal Council	175,400	178,204	162,265
First Nations Trust	710,158	710,158	729,509
Keseechiwan Holdings LP	-	70,000	60,000
Paskwa Pit Stop (sales less cost of sales)	-	439,213	458,584
CDC revenue	91,329	112,913	77,324
Public Safety Canada	-	-	11,264
Interest revenue	-	286	685
Pasqua TLE Holdings Inc - annual income	-	155,356	171,486
Government of Saskatchewan	211	211	1,250
Pasqua Treaty Land Entitlement - annual income	-	174,801	263,792
Equity gain in related business entities	-	60,336	-
Other revenue	1,476,684	292,641	679,373
Administration fees	116,603	122,889	240,238
Deferred revenue - prior year	-	40,046	130,273
Deferred revenue - current year	-	-	(40,046)
	2,690,385	2,412,532	3,182,204
<b>Expenses</b>			
Administration	37,919	37,876	96,382
Assistance to band members	167,356	113,286	201,665
Bad debts	-	-	5,000
Band development	-	26,226	-
Bank charges and supplier interest	-	4,451	737
Consultants and contractors	291,898	251,031	219,439
Cultural programs	219,065	218,908	204,835
Equipment purchases	-	-	36,785
First Nations Trust	166,918	166,918	-
Fuel	2,265	2,217	970
Honorariums - council	58,775	58,775	-
Insurance	7,512	7,336	5,084
K & S potash project	-	-	3,117
Land purchases	-	828,300	925,000
Long term debt - interest paid	453,000	85,949	52,670
Other expenses	-	2,656	1,417
Paskwa Pit Stop	-	349,513	346,523
Professional fees	1,500	53,713	86,115
Program expenses	-	5,735	9,578
Recreational activities	-	16,000	103,253
Rent - office	-	6,000	12,000
Repairs and maintenance	8,711	14,255	15,741
Supplies	67,383	17,592	58,294
Telephone	200	1,900	1,600

The accompanying notes are an integral part of the financial statements

**Schedule #10, continued**  
**Pasqua First Nation**  
**Band Projects**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Actual	2014 Actual
Training	2,088	9,588
Travel, meetings, per diems	25,224	62,452
Utilities	3,769	3,769
Wages and benefits	292,182	385,264
Winter/summer games	21,999	5,968
Youth	-	23,250
Transfer to capital assets	-	(864,700)
	<b>1,827,764</b>	<b>1,894,228</b>
<b>Current surplus before other items</b>	<b>862,621</b>	<b>518,304</b>
<b>Other items</b>		
Land contributed by Pasqua TLE Trust	-	828,300
		<b>925,000</b>
<b>Current surplus before transfers</b>	<b>862,621</b>	<b>1,346,604</b>
<b>Transfers</b>		
Transfer - Claims and Indian Government	-	184,933
Transfer - Community Infrastructure	(509,842)	(604,523)
Transfer - Education	(139,043)	(223,674)
Transfer - Economic Development	-	(4,488)
Transfer - Indian Government Support	(213,904)	(488,993)
Transfer - Land Management	-	38,901
Transfer - Social Development	-	(1,242)
Transfer - Health	-	(18,036)
Transfer - Amortization	-	(23,035)
		<b>(15,755)</b>
<b>Current surplus</b>	<b>\$ (168)</b>	<b>\$ 167,546</b>
		<b>\$ 1,392,231</b>

The accompanying notes are an integral part of the financial statements

**Schedule #11**  
**Pasqua First Nation**  
**Amortization**  
**Schedule of Operations**  
*For the year ended March 31, 2015*

	2015 Budget	2015 Actual	2014 Actual
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Amortization - Community Infrastructure	-	349,614	361,369
Amortization - Education	-	218,009	218,009
Amortization - Indian Government Support	-	14,644	14,643
Amortization - Health	-	43,579	43,579
Amortization - CMHC	-	376,370	366,317
Amortization - Band Projects	-	23,035	15,756
	-	1,025,251	1,019,673
<b>Current deficit before transfers</b>	-	(1,025,251)	(1,019,673)
<b>Transfers</b>			
Transfer - Programs	-	1,025,251	1,019,673
<b>Current surplus</b>	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements