

Piapot First Nation
Consolidated Financial Statements
March 31, 2015

Management's Responsibility

Independent Auditors' Report

Consolidated Financial Statements

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Management's Responsibility

To the Members of Piapot First Nation:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council is also responsible for appointing the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members of Piapot First Nation; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

Signed Della Chicoose Management

To the Members of Piapot First Nation:

We have audited the accompanying consolidated financial statements of Piapot First Nation, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations and accumulated surplus, changes in net debt and 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 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 in our audit 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 Piapot First Nation as at March 31, 2015 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

July 16, 2015

MNP LLP
Chartered Accountants

Piapot First Nation
Consolidated Statement of Financial Position
As at March 31, 2015

	2015	2014
Financial assets		
Current		
Cash resources	844,948	224,823
Accounts receivable (Note 4)	319,573	139,962
Restricted cash	526,131	776,723
Due from related parties	-	348,954
	1,690,652	1,490,462
Portfolio investments (Note 5)	80,000	60,000
Investments in commercial enterprises (Note 6)	(319,819)	(222,995)
Funds held in trust (Note 7)	89,934	187,227
Total financial assets	1,540,767	1,514,694
Liabilities		
Current		
Accounts payable and accruals	321,214	393,271
Deferred revenue (Note 8)	223,397	586,678
Due to related parties (Note 9)	59,670	59,670
Term loan due on demand (Note 10)	766,092	-
Current portion of long-term debt (Note 11)	549,108	480,329
	1,919,481	1,519,948
Long-term debt (Note 11)	3,452,587	1,887,894
Total financial liabilities	5,372,068	3,407,842
Net debt	(3,831,301)	(1,893,148)
Non-financial assets		
Tangible capital assets (Note 12)	40,077,952	38,500,261
Prepaid expenses	47,013	63,894
Total non-financial assets	40,124,965	38,564,155
Accumulated surplus (Note 13)	36,293,664	36,671,007

Approved on behalf of Chief and Council

Signed: Ira Lavalee

Chief

Signed: Vern Anaskan

Councillor

Piapot First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2015

	2015 Budget (Note 18)	2015 Actual	2014 Actual
Revenues			
Aboriginal Affairs and Northern Development Canada (Note 17)	5,197,790	5,831,379	5,833,208
Earnings from investments in commercial enterprises (Note 6)	1,500,000	2,179,169	2,120,672
First Nations Trust	817,530	808,003	833,912
Health Canada	554,001	662,689	616,068
FHQ Tribal Council	273,237	467,348	461,681
Rental	48,680	171,769	249,431
CMHC (Rent)	81,000	143,430	137,218
Federation of Saskatchewan Indian Nations	-	100,000	-
CMHC (Subsidy)	79,051	109,045	80,408
Other	124,540	110,150	184,746
CMHC (RRAP)	-	35,024	-
Daycare fees	17,388	15,830	13,337
Interest	-	7,016	3,742
Insurance proceeds	-	-	31,845
Repayment of funding	-	-	(5,392)
	8,693,217	10,640,852	10,560,876
Program expenses			
Community Development	1,245,466	2,092,398	1,939,413
Economic Development	91,531	83,090	87,807
Education	2,285,354	2,408,745	2,376,405
Government Support	630,248	797,094	725,365
Land Management	102,072	127,556	118,884
Social Development	1,427,312	1,336,559	1,643,785
Indian Registry	17,020	17,020	16,989
Health	596,699	741,350	700,225
Band Programs	2,364,656	3,414,383	3,050,237
Total expenses	8,760,358	11,018,195	10,659,110
Annual deficit	(67,141)	(377,343)	(98,234)
Accumulated surplus, beginning of year	36,671,007	36,671,007	36,769,241
Accumulated surplus, end of year	36,603,866	36,293,664	36,671,007

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

Piapot First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2015

	<i>2015 Budget (Note 18)</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Annual deficit	(67,141)	(377,343)	(98,234)
Purchases of tangible capital assets	(1,421,330)	(2,280,662)	(1,301,840)
Amortization of tangible capital assets	-	702,971	627,569
Use (acquisition) of prepaid expenses	-	16,881	4,025
	(1,421,330)	(1,560,810)	(670,246)
Increase in net debt	(1,488,471)	(1,938,153)	(768,480)
Net debt, beginning of year	(1,893,148)	(1,893,148)	(1,124,668)
Net debt, end of year	(3,381,619)	(3,831,301)	(1,893,148)

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

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

	2015	2014
Cash provided by (used for) the following activities		
Operating activities		
Annual deficit	(377,343)	(98,234)
Non-cash items		
Amortization	702,971	627,569
Earnings from investment in commercial enterprises	(2,179,169)	(2,120,672)
	(1,853,541)	(1,591,337)
Changes in		
Accounts receivable	(179,611)	69,984
Prepaid expenses	16,881	4,025
Accounts payable and accruals	(72,057)	71,934
Deferred revenue	(363,281)	525,232
	(2,451,609)	(920,162)
Financing activities		
Advances of term loans due on demand and long-term debt	4,803,509	522,155
Repayment of long-term debt	(2,403,945)	(414,911)
	2,399,564	107,244
Capital activities		
Purchases of tangible capital assets	(2,280,662)	(1,301,840)
Investing activities		
Increase in restricted cash (net)	250,592	(588,845)
Increase in portfolio investments	(20,000)	-
Distributions from investment in commercial enterprises	2,275,993	2,430,173
Decrease (increase) in funds held in trust	97,293	(133,688)
Decrease (increase) in due from related parties (net)	348,954	(5,943)
	2,952,832	1,701,697
Increase (decrease) in cash resources	620,125	(413,061)
Cash resources, beginning of year	224,823	637,884
Cash resources, end of year	844,948	224,823
Supplementary cash flow information		
Interest paid	126,485	133,317

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

1. Operations

The Piapot First Nation (the "First Nation") is located in the Province of Saskatchewan, and provides various services to its Members. The Piapot First Nation financial reporting entity includes all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards, and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- Piapot First Nation;
- Piapot First Nation Health Services;
- Piapot First Nation CMHC Housing;
- Kehiew Holdings Inc.;
- Piapot Treaty Land Entitlement Trust;
- Piapot First Nation Business Trust; and
- Piapot Specific Claim Trust.

All inter-entity balances have been eliminated on consolidation; however, transactions between segments have not been eliminated in order to present the results of operations for each specific segment.

Piapot First Nation Business Trust is an other government organization and is fully consolidated by the First Nation. The Trust owns Cree Land Mini-Mart Limited Partnership and consolidates the Partnership using the modified equity method. Income and expenses of the Trust are allocated to the First Nation for its fiscal year of January to December 31.

Piapot First Nation business entities, owned or controlled by the First Nation but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for its proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Piapot Urban Development Corporation (Oskapewis Holdings Inc.) is accounted for using the modified equity method.

Basis of presentation

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash resources

Cash resources includes balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted cash

Restricted cash consists of funds held in the CMHC replacement reserve bank account, the CMHC operating reserve bank account, the school boiler replacement bank account and the emergency road repairs bank account.

2. Significant accounting policies *(Continued from previous page)*

Asset classification

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

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as a measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

The First Nation original reserve land is not recognized in the First Nation's financial statements.

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Amortization

Tangible capital assets are amortized using the straight line method at rates intended to amortize the cost of the assets over their estimated useful lives. Assets under construction are not amortized until they are put into use. Land is not amortized.

	Rate
Buildings	40 years
Infrastructure	40 years
Housing (Band and CMHC)	25 years
Equipment	10 years
Vehicles	5 years

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Funds held in trust

These funds are held in trust on behalf of the First Nation by the Government of Canada. Trust moneys consist of:

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

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

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Rental revenue is recognized over the rental term. Other revenues earned from other services provided by the First Nation are recognized when the service has been provided.

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

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 disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Segments

The First Nation conducts its business through 10 reportable segments (Note 14). 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 attributable 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.

Related entities financial statements

Separate financial statements are prepared for the following related entities:

- Piapot First Nation CMHC Housing;
- Kehiew Holdings Inc; and
- Creeland Mini-Mart Limited Partnership.

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 its settle or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

2. Significant accounting policies *(Continued from previous page)*

Other economic interests

The First Nation is a member of several other entities. The First Nation does not share in the profit or loss of these entities. As a result these entities have not been reported in these consolidated financial statements.

Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The First Nation has not yet determined the effect of these new standards on its consolidated financial statements.

3. Change in accounting policy

Effective April 1, 2014, the First Nation adopted the recommendations related to PS 3260 *Liability for Contaminated Sites* as set out in the Canadian public sector accounting standards. Pursuant to the recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, no accounting policy existed to account for a liability for contaminated sites. Under the new recommendations, the First Nation is required to recognize a liability for contaminated sites when economic benefits will be given up, as described in Note 2, Significant Accounting Policies.

There was no effect on the First Nation's consolidated financial statements of adopting the above-noted change in accounting policy.

4. Accounts receivable

	2015	2014
File Hills Qu'Appelle Tribal Council	170,796	5,058
Goods and Services Tax	36,450	19,145
Other	31,945	32,764
Aboriginal Affairs and Northern Development Canada	31,111	48,409
CMHC	25,271	5,881
Saskatchewan Student work program	14,000	-
Health Canada	10,000	-
Federation of Saskatchewan Indian Nations	-	4,300
BATC	-	24,405
	319,573	139,962

5. Portfolio investments

The First Nation has an 8.3% interest in Keseechiwan Holdings Inc. (Swift Current Casino Development) which has a carrying value of \$60,000. The First Nation also has a \$20,000 non-redeemable Guaranteed Investment Certificate with Royal Bank of Canada with interest at 2.00% maturing October 20, 2019.

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

6. Investments in commercial enterprises

Summary financial information for each business entity, accounted for using the modified equity method, for their respective year-end is as follows:

The First Nation has investments in the following entities:

	<i>Opening</i>	<i>Share of earnings</i>	<i>Withdrawals April 1 to December 31, 2014</i>	<i>Withdrawals January 1 to March 31, 2015</i>	<i>2015</i>
Piapot First Nations Business Trust (Cree Land Mini-Mart Limited Partnership)	(258,029)	2,179,169	(2,064,947)	(211,046)	(354,853)
Piapot Urban Development Corporation (Oskapewis Holdings Inc.)	35,034	-	-	-	35,034
	(222,995)	2,179,169	(2,064,947)	(211,046)	(319,819)

Cree Land Mini-Mart Limited Partnership made transfers to the First Nation totaling \$560,000 between January 1 and March 31, 2015. \$348,954 of these transfers were applied against the due from related party balance and the remaining transfers (\$211,046) have been shown as a reduction of the investment value above.

Summary financial information for each First Nation business partnership, accounted for using the modified equity method, for their respective year-ends is as follows:

	<i>Piapot First Nation Business Trust (Cree Land Mini-Mart Limited Partnership) As at December 31, 2014</i>	<i>Piapot Urban Development Corporation (Oskapewis Holdings Inc.) As at March 31, 2015</i>
Assets		
Current	448,967	34
Due from related parties	24,670	35,000
Property, plant and equipment	446,346	-
Total assets	919,983	35,034
Liabilities		
Current	771,629	-
Long-term debt	292,161	-
Total liabilities	1,063,790	-
Equity (deficiency)	(143,807)	35,034
Total revenues	13,046,874	-
Total expenses	10,867,705	-
Net income	2,179,169	-

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

7. Funds held in trust

	<i>Balance Beginning of Year</i>	<i>Lease income</i>	<i>Interest income</i>	<i>Payments to Nation</i>	<i>Balance End of Year</i>
Capital account	3,872	-	-	-	3,872
Revenue account	183,355	147,507	5,448	(250,248)	86,062
	187,227	147,507	5,448	(250,248)	89,934

8. Deferred revenue

		<i>2015</i>	<i>2014</i>
Road repair	AANDC	27,678	-
School boiler replacement	AANDC	195,719	586,678
		223,397	586,678

9. Due to related parties

	<i>2015</i>	<i>2014</i>
Piapot Urban Development Corporation (Oskapewis Holdings Inc.)	35,000	35,000
Cree Land Mini-Mart Limited Partnership	24,670	24,670
	59,670	59,670

The amounts are unsecured, non-interest bearing and have no fixed terms of repayment. Piapot First Nation owns 100% interest in Cree Land Mini-Mart Limited Partnership through the Piapot First Nation Business Trust. Piapot owns 100% of Piapot Urban Development Corporation (Oskapewis Holdings Inc.).

10. Term loan due on demand

RBC term loan due on demand to bridge finance CMHC Phase XII housing project, interest payable monthly at bank prime plus 1.5%, principal to be converted to long-term debt upon completion of the project in August 2015.

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

11. Long-term debt

The following loans are secured by government guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with payment of principal and interest on the following loans:

<u>Phase</u>	<u>Monthly Payment Including Interest</u>	<u>Interest Rate</u>	<u>Renewal Date</u>	<u>2015</u>	<u>2014</u>
V	3,455	4.54%	1-Oct-18	136,973	171,427
VI	---	---	---	---	4,926
VII	---	---	---	---	17,312
VIII	3,885	2.50%	1-Dec-18	166,775	209,349
IX	653	2.50%	1-Dec-19	35,041	42,423
X	528	2.40%	1-Oct-15	28,413	33,995
XI	4,427	2.01%	1-Oct-19	834,499	---
				1,201,702	479,433
RBC loan repayable in quarterly instalments of \$72,500 including interest at 3.75%, maturing December 2016, secured by a general security agreement				1,482,118	-
RBC loan repayable in quarterly instalments of \$38,200 including interest at 4%, maturing October 2017, secured by a general security agreement				656,648	-
Canada Mortgage and Housing Corporation Phase XII loan advances				397,770	25,469
RBC financing lease, repayable in monthly instalments of \$6,769 including interest at 4.5%, maturing September 2018, secured by equipment with a net book value of \$388,023				263,457	-
Peace Hills Trust term loan				-	1,350,250
Peace Hills Trust term loan				-	258,622
John Deere Credit Inc. commercial lease				-	156,253
John Deere Credit Inc. commercial lease				-	70,682
Peace Hills Trust term loan				-	27,514
				4,001,695	2,368,223
Less: current portion				549,108	480,329
				3,452,587	1,887,894

Principal repayments on long-term debt in each of the next five years, assuming loans are renewed at similar rates and terms, are estimated as follows:

2016	549,108
2017	577,549
2018	605,687
2019	597,568
2020	551,981

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

12. Tangible capital assets

For the year ended March 31, 2015

	Cost			Accumulated Amortization			Net book value
	Opening balance	Additions	Disposals	Assets under construction completed	Ending balance	Opening balance	
Buildings	10,392,144	-	-	-	10,392,144	2,892,966	7,239,374
Infrastructure	6,541,923	645,848	-	-	7,187,771	1,269,613	5,755,031
Band Housing	2,723,434	-	-	-	2,723,434	2,444,364	243,929
CMHC Housing	2,439,852	-	166,105	1,481,025	3,754,772	2,051,777	1,704,052
Equipment	520,584	189,819	-	-	710,403	135,169	504,193
Vehicles	44,048	-	-	-	44,048	13,810	21,428
Assets under construction	1,050,002	1,444,995	-	(1,481,025)	1,013,972	-	1,013,972
Land	23,595,973	-	-	-	23,595,973	-	23,595,973
	47,307,960	2,280,662	166,105	-	49,422,517	8,807,699	40,077,952

For the year ended March 31, 2014

	Cost			Accumulated Amortization			Net book value
	Opening balance	Additions	Disposals	Assets under construction completed	Ending balance	Opening balance	
Buildings	10,392,144	-	-	-	10,392,144	2,648,581	7,499,179
Infrastructure	6,525,063	16,860	-	-	6,541,923	1,112,841	5,272,309
Band Housing	2,692,188	31,246	-	-	2,723,434	2,392,933	279,070
CMHC Housing	2,439,852	-	-	-	2,439,852	1,937,664	388,076
Equipment	335,900	184,684	-	-	520,584	83,111	385,414
Vehicles	25,000	19,048	-	-	44,048	5,000	30,238
Assets under construction	-	1,050,002	-	-	1,050,002	-	1,050,002
Land	23,595,973	-	-	-	23,595,973	-	23,595,973
	46,006,120	1,301,840	-	-	47,307,960	8,180,130	38,500,261

Tangible capital assets includes equipment under capital lease with a gross cost of \$374,504 (2014 - \$184,686) and accumulated amortization of \$55,919 (2014 - \$18,468) Included in additions in the current year is \$189,818 (2014 - \$184,684) under capital lease.

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

13. Accumulated surplus

Accumulated surplus consists of the following:

	2015	2014
Operating	733,692	157,770
Capital	35,310,165	36,132,038
CMHC Operating Reserve	129,312	172,734
CMHC Replacement Reserve	30,561	21,238
Ottawa Trust Fund	89,934	187,227
	36,293,664	36,671,007

14. Funds and reserves

The Piapot First Nation maintains the following funds and reserves as part of its operations:

- Operating Fund reports on the general activities of the First Nation's administration;
- Capital Asset Fund reports on the capital assets and projects of the First Nation;
- CMHC Operating Reserve is required as part of the First Nation's CMHC Housing Program, which receives funds pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this Program;
- CMHC Replacement Reserve is required as part of the First Nation's CMHC Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses; and
- Ottawa Trust Funds reports trust moneys owned by the First Nation and held by the Government of Canada.

15. Economic dependence

Piapot First Nation receives some of its revenue from the Government of Canada as a result of Treaties entered into with Her Majesty the Queen. However, these Treaties are administered by Aboriginal Affairs and Northern Development Canada under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

Piapot First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2015

16. Segments

The First Nation has 10 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Community Development - reports on capital projects and major repairs to community infrastructure;

Economic Development - reports on the economic development of the First Nation;

Education - reports on the operations of the First Nation's education programs;

Government Support - reports administration and governance activities;

Land Management - reports on operations for administration of lands;

Social Development - reports on delivery of social programs;

Indian Registry - reports on administration of membership;

Health - reports on operations of the First Nation's health programs;

Band Programs - reports on operations of band programs not funded by AANDC and Health Canada; and

Ottawa Trust Funds - reports on revenue allocated to the fund and transfers to other segments.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 2.

Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

17. Aboriginal Affairs and Northern Development Canada Reconciliation

AANDC funding per confirmation	5,494,077
Add:	
Deferred revenue, beginning of year	586,678
2014/15 Basic Needs reconciliation	31,111
Deduct:	
2014/15 Funding recovered	(57,090)
Deferred revenue, end of year	(223,397)
	5,831,379

18. Budget information

The disclosed budget information has been approved by the Chief and Council of the Piapot First Nation in March 2014. The budget approved by Chief and Council included purchases of tangible capital assets as expenses. Canadian Public Sector accounting standards do not consider these items to be expenses. To ensure the budgeted information is in accordance with Canadian Public Sector accounting standards, these items have been presented on the Statement of Changes in Net Debt instead of on the Statement of Operations.

19. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Piapot First Nation
Schedule of Consolidated Expenses by Object
For the year ended March 31, 2015

	<i>2015 Budget (Note 18)</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Salaries and benefits	2,346,328	2,432,118	2,549,199
Social assistance	1,002,821	1,064,559	1,162,717
Governance	933,000	1,025,868	994,569
Community events	506,981	708,771	511,443
Amortization	-	702,971	627,569
Assistance	272,700	696,365	508,658
Contracted services	502,982	639,499	905,309
Renovations	113,268	559,693	164,528
Student expenses	517,180	522,531	511,937
Travel	157,324	187,634	144,094
Repairs and maintenance	582,279	409,606	441,721
Tuition	242,415	353,257	226,978
Utilities	199,567	207,260	255,629
Professional fees	130,489	136,395	155,998
Insurance	113,715	130,037	101,356
Interest on long-term debt	138,309	126,485	133,317
Supplies	123,008	123,839	131,351
National child benefit	287,431	120,102	276,667
Workshops	87,848	103,513	74,018
QVIDA	-	101,138	-
Training	52,047	87,006	72,767
Elders fees	4,900	82,098	200,368
Project management fees	50,000	69,547	70,908
Office	34,257	64,838	73,680
Administration	24,850	59,127	53,718
Telephone	35,720	57,713	43,121
Rent paid on behalf of Members - CMHC housing	-	43,451	61,825
Program expense	35,867	37,715	34,783
Other	-	33,260	1,981
Office equipment lease	110,916	24,643	23,402
Property tax	28,375	23,048	34,196
Economic	78,381	21,680	11,227
Bank charges and interest	10,400	21,408	19,330
Meal preparation	10,500	20,830	24,294
Nutrition Program	19,500	16,665	20,170
Office rent	2,400	2,400	2,400
Rent	3,600	850	300
Per diems	1,000	275	875
Bad debts	-	-	32,707
	8,760,358	11,018,195	10,659,110

Piapot First Nation
Community Development
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Aboriginal Affairs and Northern Development Canada	1,035,274	1,700,555	1,204,197
Rental	48,680	24,262	45,300
FHQ Tribal Council	10,118	10,118	10,118
Other	15,000	20,005	1,700
Interest	-	1,105	113
	1,109,072	1,756,045	1,261,428
Expenses			
Amortization	-	466,972	450,471
Repairs and maintenance	154,582	295,437	211,916
Contracted services	235,100	231,764	410,965
Renovations	113,268	410,260	164,528
Salaries and benefits	182,996	192,759	204,655
Utilities	190,567	183,526	225,441
Insurance	89,138	88,611	72,650
Administration	66,261	69,215	24,418
Project management fees	50,000	54,047	60,908
Supplies	38,750	39,690	39,493
Telephone	21,500	29,871	23,548
Interest on long-term debt	-	16,136	23,021
Office	2,620	6,363	19,319
Travel	14,500	6,060	4,612
Office equipment lease	85,184	1,687	1,281
Bank charges and interest	-	-	50
Training	1,000	-	2,137
	1,245,466	2,092,398	1,939,413
Deficit before transfers	(136,394)	(336,353)	(677,985)
Transfers between programs	(97,533)	(232,380)	264,858
Deficit	(233,927)	(568,733)	(413,127)

Piapot First Nation
Economic Development
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenue			
FHQ Tribal Council	91,531	91,531	144,899
Expenses			
Contracted services	-	49,263	58,306
Economic	78,381	21,680	-
Administration	9,150	9,153	9,150
Training	-	2,690	-
Travel	-	304	-
Professional fees	4,000	-	20,351
	91,531	83,090	87,807
Surplus before transfers	-	8,441	57,092
Transfers between programs	-	(8,441)	1,942
Surplus	-	-	59,034

Piapot First Nation
Education

Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Aboriginal Affairs and Northern Development Canada	2,158,792	2,146,638	2,274,825
FHQ Tribal Council	-	15,480	22,464
Other	(21,864)	14,000	6,000
	2,136,928	2,176,118	2,303,289
Expenses			
Salaries and benefits	1,196,373	1,202,067	1,321,680
Student expenses	517,180	522,531	511,937
Tuition	242,415	353,257	226,978
Contracted services	190,995	187,511	177,704
Administration	42,195	39,695	47,142
Program expense	30,742	32,364	18,178
Supplies	23,000	22,888	22,097
Office equipment lease	13,000	16,834	15,447
Travel	8,972	9,731	16,301
Office	6,230	9,614	8,230
Training	7,500	4,364	4,909
Project management fees	-	2,500	-
Insurance	2,352	2,352	2,178
Bank charges and interest	1,400	1,631	1,537
Telephone	2,000	1,131	1,212
Honourarium	1,000	275	875
	2,285,354	2,408,745	2,376,405
Deficit before transfers	(148,426)	(232,627)	(73,116)
Transfers between programs	2,000	243,656	70,406
Surplus (deficit)	(146,426)	11,029	(2,710)

Piapot First Nation
Government Support
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenues			
Aboriginal Affairs and Northern Development Canada	529,147	515,337	528,085
Other	101,101	33,272	64,980
	630,248	548,609	593,065
Expenses			
Salaries and benefits	475,230	523,535	466,876
Professional fees	35,000	59,342	60,816
Rent paid on behalf of Members - CMHC housing	-	43,451	61,825
Travel	35,000	42,599	31,026
Contracted services	25,600	42,076	44,764
Office	16,000	35,065	26,539
Training	10,000	17,303	8,556
Bank charges and interest	6,500	14,604	7,138
Project management fees	-	13,000	10,000
Administration	2,758	2,758	-
Telephone	10,000	1,850	5,930
Office equipment lease	11,160	960	1,048
Insurance	-	503	-
Repairs and maintenance	-	48	847
Community events	3,000	-	-
	630,248	797,094	725,365
Deficit before transfers	-	(248,485)	(132,300)
Transfers between programs	-	145,810	126,040
Deficit	-	(102,675)	(6,260)

Piapot First Nation
Land Management
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Aboriginal Affairs and Northern Development Canada	63,697	190,722	84,929
Expenses			
Salaries and benefits	51,400	50,467	51,197
Property tax	28,375	23,048	34,196
Administration	6,370	19,072	8,379
Travel	3,927	11,805	8,228
Training	3,000	8,102	814
Contracted services	-	6,995	-
Office	1,100	3,014	5,572
Office rent	2,400	2,400	2,400
Professional fees	5,000	1,441	4,554
Supplies	-	1,212	2,143
Repairs and maintenance	500	-	1,401
	102,072	127,556	118,884
Surplus (deficit) before transfers	(38,375)	63,166	(33,955)
Transfers between programs	38,375	33,048	-
Surplus (deficit)	-	96,214	(33,955)

Piapot First Nation
Social Development
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Aboriginal Affairs and Northern Development Canada	1,293,860	1,261,107	1,624,184
FHQ Tribal Council	-	13,438	500
Interest	-	-	37
Other	-	-	2,527
	1,293,860	1,274,545	1,627,248
Expenses			
Social assistance	1,002,821	1,064,559	1,162,717
National child benefit	287,431	117,717	276,667
Salaries and benefits	70,795	108,693	118,719
Administration	29,070	28,007	18,857
Contracted services	22,287	6,675	46,727
Travel	8,610	4,431	3,525
Office	2,347	3,602	2,418
Bank charges and interest	2,500	2,725	2,524
Workshops	-	150	-
Supplies	1,450	-	1,856
Program expense	-	-	9,775
	1,427,311	1,336,559	1,643,785
Deficit before transfers	(133,451)	(62,014)	(16,537)
Transfers between programs	(37,403)	(10,591)	16,949
Surplus (deficit)	(170,854)	(72,605)	412

Piapot First Nation
Indian Registry

Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenue			
Aboriginal Affairs and Northern Development Canada	17,020	17,020	16,989
Expenses			
Salaries and benefits	14,003	12,979	12,544
Administration	1,117	1,639	1,699
Travel	1,500	1,498	757
Office	400	904	1,989
	17,020	17,020	16,989
Surplus	-	-	-

Piapot First Nation
Health

Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Health Canada	554,001	662,689	616,068
FHQ Tribal Council	23,888	26,720	23,888
Other	-	750	-
Interest	-	63	79
Repayment of funding	-	-	(5,392)
	577,889	690,222	634,643
Expenses			
Salaries and benefits	252,074	244,922	231,833
Workshops	87,848	103,363	74,018
Travel	49,909	72,879	68,363
Professional fees	68,513	63,641	61,751
Supplies	59,808	60,049	65,710
Training	24,047	52,047	54,881
Amortization	-	50,607	50,607
Meal preparation	10,500	20,830	24,294
Utilities	-	16,897	8,814
Nutrition Program	19,500	16,665	20,170
Telephone	-	11,234	10,620
Repairs and maintenance	10,000	8,284	6,756
Insurance	6,000	7,508	10,760
Office equipment lease	-	4,024	4,413
Freight and postage	-	3,500	3,950
Bank charges and interest	-	2,352	2,069
Elders fees	4,900	1,698	916
Rent	3,600	850	300
	596,699	741,350	700,225
Deficit before transfers	(18,810)	(51,128)	(65,582)
Transfers between programs	21,845	-	9,776
Surplus (Deficit)	3,035	(51,128)	(55,806)

Piapot First Nation
Band Programs
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Aboriginal Affairs and Northern Development Canada	100,000	-	100,000
Earnings from investment in commercial enterprises	1,500,000	2,179,169	2,120,672
First Nation Trust	817,530	808,003	833,912
FHQ Tribal Council	147,700	310,061	259,812
Rent - CMHC	81,000	143,430	137,218
Federation of Saskatchewan Indian Nations	-	100,000	-
Subsidy - CMHC	79,051	109,045	80,408
Other	30,303	42,125	109,540
CMHC (RRAP)	-	35,024	-
Daycare fees	17,388	15,830	13,337
Interest	-	400	-
Insurance proceeds	-	-	31,845
	2,772,972	3,743,087	3,686,744

Continued on next page

Piapot First Nation
Band Programs
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
<i>(Continued from previous page)</i>	2,772,972	3,743,087	3,686,744
Expenses			
Governance	933,000	1,025,868	994,569
Community events	503,981	708,771	511,443
Assistance	272,700	696,365	508,658
Amortization	-	185,392	126,492
Renovations	-	149,434	-
Contracted services	29,000	115,216	166,844
Interest on long-term debt	138,309	110,349	110,296
Repairs and maintenance	417,197	105,837	220,801
QVIDA	-	101,138	-
Salaries and benefits	103,456	96,695	141,692
Elders fees	-	80,400	199,453
Travel	34,906	38,326	11,283
Other	-	33,260	1,981
Insurance	16,225	31,063	15,768
Telephone	2,220	13,627	1,811
Professional fees	17,976	11,971	8,527
Utilities	9,000	6,837	21,374
Program expense	5,125	5,351	6,831
Office	5,560	2,776	5,663
Training	6,500	2,500	1,469
National child benefit - projects	-	2,385	-
Office equipment lease	1,572	1,139	1,213
Bank charges and interest	-	96	6,012
Supplies	-	-	51
Economic	-	-	11,227
Bad debts	-	-	32,707
Administration	(132,071)	(110,413)	(55,928)
	2,364,656	3,414,383	3,050,237
Surplus before transfers	408,316	328,704	636,507
Transfers between programs	72,716	79,144	(416,015)
Surplus	481,032	407,848	220,492

Piapot First Nation
Ottawa Trust Funds
Schedule of Segment Revenues and Expenses and Surplus (Deficit)
For the year ended March 31, 2015

	<i>2015 Budget</i>	<i>2015 Actual</i>	<i>2014 Actual</i>
Revenues			
Rental	-	147,507	204,131
Interest	-	5,448	3,513
Surplus before transfers	-	152,955	207,644
Transfers between programs	-	(250,248)	(73,956)
Surplus	-	(97,293)	133,688